

Travel expenses for northern residents deductions, medical and moving expenses

The following applies to the 2002 tax year.

Meal expenses

If you choose the detailed method to calculate meal expenses, you have to keep your receipts. If you choose the simplified method, you may claim a flat rate of \$11 a meal, to a maximum of \$33 per day, without receipts.

Vehicle expenses

If you choose the detailed method to calculate vehicle expenses, you must keep all receipts and records for the vehicle expenses you incurred for moving expenses and northern residents deductions during the tax year; **or** during the 12-month period you choose for medical expenses.

Vehicle expenses include:

- Operating expenses such as fuel, oil, tires, licence fees, insurance, maintenance, and repairs.
- Ownership expenses such as depreciation, provincial tax, and finance charges.

You also have to keep track of the number of kilometres you drove in that time period, as well as the number of kilometres you drove specifically for the purpose of moving or medical expenses, or for the northern residents deductions. Your claim for vehicle expenses is the percentage of your total vehicle expenses that relate to the kilometres driven for moving or medical expenses, or for northern residents deductions.

For example, if you drove 10,000 km during the year, and half of that was related to your move, you can claim half of the total vehicle expenses on your tax return.

If you choose the simplified method of calculating vehicle expenses, you do not need to keep receipts. Instead, you must keep track of the number of kilometres driven during the tax year for your trips relating to northern residents deductions and moving expenses, **or** the 12-month period you choose for medical expenses. To determine the amount you can claim for vehicle expenses, multiply the number of kilometres by the cents/km rate from the chart below for the province or territory in which the travel begins.

Province or territory	Cents/kilometre
Alberta	39.5
British Columbia	42.0
Manitoba	41.5
New Brunswick	41.5
Newfoundland and Labrador	43.5
Northwest Territories	48.5
Nova Scotia	41.5
Nunavut	48.5
Ontario	43.5
Prince Edward Island	40.5
Quebec	45.0
Saskatchewan	40.0
Yukon	48.0

For example, if you moved from Ottawa to Montréal, you would have travelled about 200 km. The vehicle expense claim would be 200 km multiplied by the rate of 43.5 cents for Ontario, for a total of \$87.

More information

For more information, visit the Canada Customs and Revenue Agency's Web site at www.c CRA.gc.ca or call your tax services office. You can find the telephone number listed in the government section of the telephone book.

