

DETERMINATION > DEPRECIATION > GENERAL**General Tax Depreciation Rates for brake test rollers**

Issued: 29 June 2021

DEP107

This determination sets depreciation rates for brake test rollers used in the ordinary course of business.

Note to Determination DEP107:

The Commissioner has been asked to consider what depreciation rate should apply for brake test rollers that, as the name implies, are used for testing the brakes of motor vehicles. Brake test rollers are typically used by vehicle testing stations that perform testing for the Waka Kotahi NZ Transport Agency (NZTA) Warrant of Fitness (which applies to cars and light vehicles) and Certificate of Fitness (which applies to trucks, taxis and heavy vehicles/trailers etc.). Large service workshops may also have them to ensure that their clients vehicle brakes will meet these NZTA standards, even if they don't certify them. Both car and truck brake test rollers are similar in nature, so are grouped as a single asset class of "Brake test rollers" for the purpose of this general depreciation rate determination.

Brake test rollers are used in the following way. The vehicle to be tested is driven on to brake test rollers which are set in the garage floor. The brake test rollers are rotated slowly, turned by an electric motor. The brakes resistance is measured by load sensors attached to the motor. This information is then sent through analogue or digital gauges to be recorded using software/digital controls.

Other types of brake test equipment

Other types of brake testing equipment, such as "plate" brake testers and decelerometers, are not covered by this general depreciation determination, as they are either portable or hand-held (not permanently fixed into the floor like brake test rollers).

Determination DEP107: Tax Depreciation Rates

General Determination Number 107

This determination may be cited as "Determination DEP107 Tax Depreciation Rates General Determination Number DEP107: Brake test rollers available for use in the ordinary course of business.

1 Application

This determination applies to taxpayers who own items of depreciable property of the kind listed in the tables below:

This determination applies for the 2020/21 and subsequent income years.

2 Determination

Pursuant to section 91AAF of the Tax Administration Act 1994, the general determination applies to the kind of items of depreciable property listed in the table below by:

- Adding into the "Engineering (including automotive)" industry category, the new asset class, estimated useful life, and general diminishing value and straight-line depreciation rates listed below:

Asset class	Estimated useful life (years)	DV rate (%)	SL rate (%)
Brake test rollers	12.5	16	10.5

3 Interpretation

In this determination, unless the context otherwise requires, words and terms have the same meaning as in the Income Tax Act 2007 and the Tax Administration Act 1994.