

TERM PURCHASE



 **TOYOTA FLEET MANAGEMENT**

Here for you

TERM PURCHASE

Structured to suit your cash flow

What is a Term Purchase?

Term Purchase (or Commercial Hire Purchase) provides 100% financing for the GST inclusive price of the vehicle then transfers the risk of ownership to the customer and legal ownership when the final instalment is received.

Term Purchase is suitable for customers who intend to use their vehicle predominantly for business purposes. Customers should be able to demonstrate that the vehicle will be used for business purposes more than 50% of the time.

A Term Purchase represents the ideal choice if a company seeks to own the vehicle at the end of the repayment term.

What are the benefits?

- ✓ 100% financing for the GST inclusive price of the vehicle at a known monthly cost
- ✓ Fixed interest rate for terms between 12 months and 60 months, protecting you against market fluctuations
- ✓ Customers may fully pay in equal instalments or specify a balloon, depending on cash flow preferences. The balloon can generally be refinanced at maturity
- ✓ The liability and asset are both shown on the balance sheet
- ✓ Rental payments are not tax deductible. Depreciation and the interest portion of the loan are usually fully tax deductible, which may be attractive for assets with higher tax depreciation allowances
- ✓ No excess kilometres apply and either a profit or a loss can be applied on eventual sale

How can I get more information?

Contact Toyota Fleet Management on 1300 888 870 or visit www.toyotafleetmanagement.com.au