



Chattel Mortgage

A Chattel Mortgage is an attractive finance option for sole proprietors, partnerships and companies that use the 'cash' method of accounting for the Goods and Services Tax (GST). Under the cash method, the GST component of the acquisition price of the motor vehicle (or other asset) can be claimed back on the entity's next Business Activity Statement, rather than claiming the GST over the term of the finance contract.

Flexibility

Flexibility is an attractive feature of a chattel mortgage. You can choose to finance the total purchase price, or use a deposit or trade-in to reduce the loan repayments. You can even use the GST refund to contribute towards paying off the loan, thereby reducing the amount financed and the interest paid over the term of the loan.

Tax Benefits

By choosing a chattel mortgage, you become the owner of the motor vehicle while the financier secures a charge over the asset. As you are the owner of the motor vehicle, you may claim a tax deduction for the depreciation on the motor vehicle as well as the interest component of the loan repayments. In addition, GST is not payable on the loan repayments.

Other Benefits

- The repayments are fixed over the term of the loan
- The term of the loan ranges from 9 to 60 months
- You can structure the repayments with or without a balloon payment at the end of the term of the loan to tailor your repayments to suit your cash flow.

To obtain a Chattel Mortgage quotation tailored for you, please complete our attached finance enquiry form. Alternatively, call our friendly finance consultants on 1300 132 700.

Contact Details

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Disclaimer: We recommend that prior to entering into any financial arrangement that you seek independent financial advice. The information contained herein is of a general nature only and does not take into account your personal circumstances. Southgate Financial Services Pty Ltd, its agents, employees and lenders accept no responsibility for any loss that may arise.