



2019 Fringe benefits tax return instructions

Step-by-step instructions with examples to help you complete the fringe benefits tax (FBT) return 2019.

Last updated 26 March 2019

These instructions will help you complete the 2019 Fringe benefits tax (FBT) return.

You must lodge your 2019 FBT return if you have a fringe benefits tax liability (also called a fringe benefits taxable amount) for the year ending 31 March 2019 by **21 May** 2019. This is unless:

- we accept a request you make for an extension of time to lodge
- a registered tax agent lodges your return electronically and meets our lodgment program requirements for FBT.

If you need an extension of time to lodge and you are:

- lodging through a tax agent, contact them
- not lodging through a tax agent, phone us on **13 28 66**.

You can lodge your FBT return electronically, through your tax agent, or by using a paper form (NAT 1067).

Find out about:

- [What's new in FBT](#)
- [FBT rates and thresholds](#)
- [Correcting a mistake on your FBT return](#)
- [Completing your 2019 FBT return – all employers](#)
- [2019 FBT return calculation details – taxable employers](#)

- [Not-for-profit employers – completing your 2019 FBT return](#)
- [Fringe benefit categories](#)
- [Keeping records for FBT](#)
- [Calculation rates](#)
- [Worked examples – not-for-profit employers – completing your FBT return](#)

See also:

- 2019 Fringe benefits tax (FBT) return

What's new in FBT



FBT rates and thresholds



Correcting a mistake on your FBT return



Completing your 2019 FBT return – all employers



2019 FBT return calculation details – taxable employers



Not-for-profit employers – completing your 2019 FBT return



Fringe benefit categories



Keeping records for FBT



Calculation rates



Worked examples – not-for-profit employers – completing your FBT return



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What's new in FBT

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Worker entitlement contributions

Under changes proposed by the *Fair Work Laws Amendment (Proper Use of Worker Benefits) Bill 2017*, the exemption for worker entitlement contributions will only be available to an employer if the contribution is made to a fund either:

- registered under the *Fair Work (Registered Organisations) Act 2009*
- established by or under, and operating under, a law of the Commonwealth, a state or territory, for the purposes of ensuring long service leave is paid.

Other existing conditions for exemption are unaltered by this measure.

The proposed changes will apply from a date set by proclamation or six months and a day after the changes receive Royal Assent. Employers will need to confirm that any worker entitlement fund they

make a contribution to is registered at the time of commencement, under either:

- the *Fair Work (Registered Organisations) Act 2009*
- the register maintained by the Registered Organisations Commissioner as a transitioning fund.

Funds currently endorsed as an 'approved worker entitlement fund' for fringe benefits tax may be 'transitioning funds' for up to six months while they seek registration as a worker entitlement fund.

At the time of publishing, this change had not yet become law.

Worker entitlement funds

There will be changes for funds that are currently endorsed, or seeking endorsement, as a worker entitlement fund for FBT purposes should the proposed amendments become law. They will be required to register under the *Fair Work (Registered Organisations) Act 2009* if they wish to continue to operate as a worker entitlement fund.

Registration will involve considerations and obligations unrelated to FBT.

Salary or wages paid in cryptocurrency

If an employee receives cryptocurrency as remuneration instead of Australian dollars, the payment of the cryptocurrency may be a fringe benefit.

See also:

- Tax treatment of cryptocurrencies
- Taxation Determination TD 2014/28 – *Fringe benefits tax: is the provision of bitcoin by an employer to an employee in respect of their employment a property fringe benefit for the purposes of subsection 136(1) of the Fringe Benefits Tax Assessment Act 1986?*
- Taxation Ruling TR 2001/10 – *Income tax: fringe benefits tax and superannuation guarantee: salary sacrifice arrangements*

Exempt car and residual benefits – determining private use

We have released **Practical Compliance Guideline PCG 2018/3** about our compliance approach to determining if the private use of eligible vehicles by your employees meets the FBT car-related exemptions.

There are examples in the guideline to help you understand how it may apply to benefits you provide in the 2019 FBT year and later years. Even if you don't meet the requirements of the PCG, you can still rely on the FBT law to determine if you can access the FBT exemptions.

See also:

- *Practical Compliance Guideline PCG 2018/3 – Exempt car benefits and exempt residual benefits: compliance approach to determining private use of vehicles.*

Next steps:

- [FBT rates and thresholds](#)
- [Completing your 2019 FBT return – all employers](#)
- [2019 FBT return calculation details – taxable employers](#)
- [Not-for-profit employers – completing your 2019 FBT return](#)

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FBT rates and thresholds

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FBT rate

The FBT rate has **not** changed for the FBT year ending 31 March 2019.

FBT rate

FBT year ending	FBT rate of tax	Type 1 gross-up rate	Type 2 gross-up rate
31 March 2018, 2019 and 2020	47%	2.0802	1.8868

(see note)			
31 March 2017	49%	2.1463	1.9608

Note: The Government announced in the **Budget 2018–19**[External Link](#) that the proposed increase in the Medicare levy rate would not proceed and that accordingly consequential changes to the FBT rate would also not go ahead. See **Revenue Measures: Personal Income Tax – retaining the Medicare levy rate at 2 percent (PDF 2.2MB)**[External Link](#). Therefore, the FBT rate remains 47% for the year ending 31 March 2020.

Not-for-profit capping thresholds and FBT rebate rate

The not-for-profit capping thresholds and FBT rebate rate have **not** changed for the FBT year ending 31 March 2019.

Not-for-profit capping threshold and FBT rebate rate

FBT year ending	Public benevolent institutions, health promotion charities, rebatable employers	Public and non-profit hospitals and public ambulance services	Meal entertainment and entertainment facility leasing expense benefits (all not-for-profit employers eligible for a cap)
31 March 2018, 2019 and 2020	\$30,000	\$17,000	\$5,000
31 March 2017	\$31,177	\$17,667	\$5,000

Next steps:

- [Completing your 2019 FBT return – all employers](#)
- [2019 FBT return calculation details – taxable employers](#)
- [Not-for-profit employers – completing your 2019 FBT return](#)

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Correcting a mistake on your FBT return

Last updated 26 March 2019

Strike out any mistakes you make in black pen. Write the new information as close as possible to the boxes for the label to correct your error. Do not use correction fluid or tape – this causes problems with scanning, which can delay processing your return.

Next steps:

- [Completing your 2019 FBT return – all employers](#)

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Completing your 2019 FBT return – all employers

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Taxation law authorises us to collect information and disclose it to other government departments and agencies. For more information, see [privacy notice](#).

For information about when you do and don't need to lodge an FBT return, see [How to lodge your FBT return](#).

Business details – items 1 to 13

1 Tax file number (TFN)

Write the TFN of the employer in the boxes provided.

Make sure your TFN matches your FBT registration, particularly if you operate through a trust.

If you do not have a TFN, complete a **Tax file number application for companies and other organisations**.

If you are a sole trader and do not have a TFN, complete a **Tax file number – application or enquiry for individuals**.

2 Australian business number (ABN)

If you are registered in the Australian Business Register, print your ABN in the box provided. Otherwise, leave blank.

Make sure the ABN you provide is associated with the TFN you quoted at item 1.

3 Name of trustee or senior partner

If you are a trust or partnership, provide the individual or non-individual name of your trustee or senior partner – otherwise, leave blank.

If the name of your trustee or senior partner has not changed, provide the details exactly as shown on the last FBT return you lodged. If the name of your trustee or senior partner has changed, provide the new details.

4 Name of employer

Provide the individual or non-individual name of the employer as applicable. If your name has not changed, provide the details exactly as shown on the last FBT return you lodged. If your name has changed, provide the new details.

5 – 7 Previous and current name and postal addresses

Follow the instructions on the 2019 FBT return for the following items:

- previous business/trading name
- current postal address
- postal address on previous return
- current business/trading name.

A change of name must be supported by a certified copy of the documentary evidence.

8 Previous name of trustee or senior partner

If you are a trust or partnership and your details have changed, provide the previous name of the trustee or senior partner of your organisation exactly as shown on the last FBT return you lodged – otherwise, leave blank.

9 Name of the person to contact

Provide the name, daytime phone number, and email address of a person we can contact about the information in your return.

10 Number of employees receiving fringe benefits during the period 1 April 2018 to 31 March 2019

Write the total number of employees and their associates who received fringe benefits during the period 1 April 2018 to 31 March 2019.

The total must include any current or former employees, any person that will become your employee, or their associates, who received fringe benefits during the FBT year.

11 Hours taken to prepare and complete this form

Your response is voluntary, but your answers will help us monitor and reduce your costs in meeting your tax obligations.

When completing this question, consider the time (rounded up to the nearest hour) you spent:

- reading the instructions
- collecting the information necessary to complete this return

- making any necessary calculations
- completing this return and putting your business tax affairs in order so you could give the information to your tax agent.

Don't include the time your tax agent took to prepare and complete this return.

12 Do you expect to lodge FBT return forms for future years?

Tell us if you plan to continue lodging FBT returns. If you provide taxable fringe benefits after 31 March 2019, they fall into the 2020 FBT year and you may need to lodge a 2020 FBT return.

We will cancel your FBT registration and any future instalments if you answer 'no' to this question.

If you don't complete this item, it may result in processing problems.

13 Electronic funds transfer (EFT)

We need your financial institution details to pay any refund owing to you, even if you have provided them before, including:

- Bank State Branch (BSB) number (this number has six digits, do not include spaces or hyphens)
- account number (this number has no more than nine digits, do not include spaces or hyphens)
- account name, for example JQ Citizen. Do not show account type, such as cheque, savings, mortgage offset in the account name. Include spaces between each word and initials where required. If it exceeds 32 characters, provide the first 32 characters only.

Your refund can only be paid into a recognised financial institution account located in Australia.

Return calculation details

14 Calculated fringe benefits taxable amounts

Before you can calculate the taxable value of any benefit, you must identify the category the benefit falls into.

We describe each category in [Fringe benefits tax – a guide for employers](#).

FBT is payable on the fringe benefits taxable amount. To work out the fringe benefits taxable amount, you must determine your type 1 and type 2 aggregate fringe benefits amounts.

See [14A Type 1 aggregate amount](#) and [14B Type 2 aggregate amount](#) for further information.

FBT concessions and exemptions for certain employers

Concessional FBT treatment is available for certain benefits provided by the following types of employers:

- a [rebatable employer](#)
- an eligible [public benevolent institution or health promotion charity](#)
- a [public hospital, non-profit hospital \(a hospital carried on by a society or association that is a rebatable employer\) or public ambulance service](#)
- a [not-for-profit organisation operating partly as an eligible public benevolent institution employer](#).

Benefits provided by these types of employers may be exempt from FBT up to a capping threshold, or entitled to a rebate of FBT subject to a capping threshold.

See also:

- Non-profit organisations and FBT
- If you are covered under one of the above category types for the year ending 31 March 2019, see the specific instructions at [Not-for-profit employers – completing your 2019 FBT return](#).
- If you are not covered under one of the above category types for the year ending 31 March 2019, see [2019 FBT return calculation details – taxable employers](#) for instructions.

Next steps:

- [Correcting a mistake on your FBT return](#)
- [2019 FBT return calculation details – taxable employers](#)

- [Not-for-profit employers – completing your 2019 FBT return](#)
- [Keeping records for FBT](#)

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2019 FBT return calculation details – taxable employers

Last updated 26 March 2019

Return calculation details – items 14A to 23

14A Type 1 aggregate amount

The type 1 aggregate amount is the total of all type 1 fringe benefits.

Type 1 fringe benefits are benefits where you (or a member of the same GST group) are entitled to a GST credit for GST paid on the benefits provided to an employee. These are referred to as GST-creditable benefits.

The rate you use for your calculation is higher than the rate for calculating the type 2 aggregate amount because it recovers the GST credit you are entitled to.

Goods and Services Taxation Ruling GSTR 2001/3 *Goods and Services Tax: GST and how it applies to supplies of fringe benefits* explains which benefits you are entitled to a credit for.

Example 1: Type 1 fringe benefit

You provide an employee with a television costing \$660, including GST. If you are registered for GST, you can claim the GST credits. This is a type 1 fringe benefit that you calculate at the higher rate.

Calculating your type 1 aggregate amount

To calculate your type 1 aggregate amount:

- Step 1: Work out the total taxable value of all the fringe benefits you provide for which you can claim a GST credit
 - If not already included, add any excluded fringe benefits that are GST creditable to the total amount. Excluded benefits are those benefits that you provide that are not included on your employees' payment summaries.
- Step 2: Multiply the result from step 1 by the higher gross-up rate of **2.0802**
 - Grossing up means increasing the taxable value of benefits you provide to reflect the gross salary employees would have to earn at the highest marginal tax rate (including Medicare levy) to buy the benefits after paying tax.

Example 2: Type 1 aggregate amount

You provide the following benefits to your employees:

- Car for private use. These are
 - car fringe benefits calculated using the statutory formula method (as you did not elect to use the operating cost method)
 - GST taxable supplies with entitlements to GST credits.

The taxable value of the car fringe benefits are \$10,000.

- Reimbursement of restaurant meals not provided under a salary packaged arrangement. You elected to classify these expense payment fringe benefits as meal entertainment fringe benefits. These are
 - excluded benefits as they are not reported on your employees' payment summaries
 - GST taxable supplies with entitlements to GST credits.

The taxable value of these expense payment fringe benefits is \$1,000.

Step 1

Total taxable value of type 1 fringe benefits amount

$$\$10,000 + \$1,000 = \$11,000$$

Step 2

Type 1 aggregate amount

$$\$11,000 \times 2.0802 = \$22,882.20$$

14B Type 2 aggregate amount

The type 2 aggregate amount is the total of all type 2 fringe benefits.

Type 2 fringe benefits are benefits you (or a member of the same GST group) can't claim GST credits for because:

- you (or they) are not entitled to – for example, you are not registered for GST
- there are no GST credits available because the benefit is **either** of the following
 - GST-free (for example, school fees)
 - input taxed (for example, residential accommodation).

These are referred to as non GST-creditable benefits.

The rate you use for your calculations is lower than the rate for calculating the type 1 aggregate amount because you are not entitled to a GST credit.

Example 3: Type 2 fringe benefit

You reimburse an employee \$700 for their child's school fees. The supply of school fees are GST-free – you can't claim a GST credit. This is a type 2 fringe benefit included in your type 2 aggregate amount.

Calculating your type 2 aggregate amount

To calculate your type 2 aggregate amount:

- Step 1: Work out the total taxable value of all those benefits for which you can't claim a GST credit
 - If not already included, add any excluded fringe benefits for which you can't claim a GST credit.
- Step 2: Multiply the result from step 1 by the lower gross-up rate of **1.8868**.

Example 4: Type 2 aggregate amount

You provide the following benefits to your employees:

- Reimbursement of school fees. These are
 - expense payment fringe benefits and are GST-free supplies with no entitlement to GST credits.

The taxable value of the school fees are \$6,000.

- Remote area rent reimbursements. These are
 - expense payment fringe benefits and are input taxed with no entitlement to GST credits. These are also excluded benefits as they are not reported on your employees' payment summaries.

The taxable value of the reimbursements are \$3,000.

Step 1

Total taxable value of type 2 fringe benefits amount

$$\$6,000 + \$3,000 = \$9,000$$

Step 2

Type 2 aggregate amount

$$\$9,000 \times 1.8868 = \$16,981.20$$

14C Aggregate non-exempt amount

Leave item **14C** blank. This item only applies to public and non-profit hospitals, public ambulance services, and eligible public benevolent institutions and health promotion charities. These employers should refer to [Not-for-profit employers – completing your 2019 FBT return](#).

15 Fringe benefits taxable amount

Add the amounts at items **14A** and **14B** and write the total at item **15**, even if the amount is nil.

You must complete this item because it (and item **16**) forms the basis of self-assessing any FBT liability.

16 Amount of tax payable

Multiply the amount you wrote at item **15** by 47% (the FBT rate for the year ending 31 March 2019) and write the total amount of tax payable at item **16**, even if the amount is nil.

You must complete this item because it (and item **15**) forms the basis of self-assessing any FBT liability.

17 and 18

Leave these items blank. These items only apply to rebatable employers.


Rebatable employers should refer to [Not-for-profit employers – completing your 2019 FBT return](#).

19 Sub-total

Write the amount you wrote at item **16**. If you are a rebatable employer, you should refer to [Not-for-profit employers – completing your 2019 FBT return](#).

Illustration 1: Items 14–19 of a taxable employer return

These figures are from [example 2](#) and [example 4](#).

 Extract of Items 14 to 19 of 2019 FBT return: • Item 14A Type 1 aggregate amount is $\$11,000 \times 2.0802 = \$22,882$ • Item 14B Type 2 aggregate amount is $\$9,000 \times 1.8868 = \$16,981$ • Item 15 Fringe benefits taxable amount ((A+B) or C) is $\$39,863$ • Item 16 Amount of tax payable (47% of item 15 amount) is $\$18,735.61$ • Item 17 Aggregate non-rebatable amount (Only complete this item if you are a rebatable employer. Visit ato.gov.au/FBT2019 for more information) is $\$0$ • Item 18 Amount of rebate (47% of (item 16 amount less item 17 amount))(Only complete this item if you are a rebatable employer. Visit ato.gov.au/FBT2019 for more information) is $\$0$ • Item 19 Sub-total (item 16 amount less item 18 amount) is $\$18,735.61$

Make sure you provide the sub-total at item **19** and not at items **17** or **18**.

20 Less instalment amounts reported on activity statements

Add together the FBT instalment amounts you reported on your four activity statements for the 2019 FBT year, and show the total amount at item **20**. We will credit this amount against your 2019 FBT liability.

Do not include any amount paid for:

- penalties
- any other year's liability.

If you pay your FBT by instalments, you must lodge all of your activity statements for the FBT year ending 31 March 2019, including the March 2019 quarter, before lodging your FBT return – we can then update your FBT account.

If all activity statements are not lodged before lodging your FBT return, your return will not be actioned until all instalments are paid.

If you do not pay your FBT by instalments, leave this item blank.

Example 5: Amounts reported on activity statements

If your FBT instalment amounts for the year starting on 1 April 2018 were:

Quarter ending 31 March 2019	\$4,000
Quarter ending 31 December 2018	\$4,000
Quarter ending 30 September 2018	\$4,000
Quarter ending 30 June 2018	\$4,000
Total instalments for the FBT year 1 April 2018 – 31 March 2019	\$16,000

You would write '\$16,000' at item **20**.

21 Payment due

If the amount at item **20** is:

- **more** than the amount at item **19**, go to item **22**
- **less** than the amount at item **19**, write at item **21** the exact difference between the amounts.

The amount at item **21** is the difference between the following:

- the amount you have paid throughout 2019
- the amount you must pay by 21 May 2019 (unless you have made other arrangements with us).

You may round down this amount to the nearest multiple of five cents.

See also:

- [How to pay](#)

22 Credit due to you

If the amount at item **20** is more than the amount at item **19**, write at item **22** the difference between the amounts. We will credit this amount to you. However, if you owe us money for other taxes, we may reduce the amount of the credit you show at item **22**.

23 Details of fringe benefits provided

The rules for calculating the taxable value of a fringe benefit vary according to the type of benefits provided.

You must identify the type of benefits provided before you:

- work out the taxable value of any benefit
- complete the 'Taxable value of benefits' column.

We describe each type of benefit in **Fringe benefits tax – a guide for employers**.

The figures shown under this item should be amounts before the gross-up calculation is made. **Do not** include any aggregate amounts at this item.

Not for profit employers that are both:

- eligible for FBT exemption
- have one or more employee(s) for whom they exceed the cap

will need to report at item **23** the details of the benefits provided to **all** their employees. These employers don't just report for the employee(s) for whom they exceeded the exemption cap.

Number

Write the number of cars, loans or houses (or other units of accommodation) you use to provide car, loan or housing fringe benefits at items **A, B, C** and **F**.

At item **A**, write the number of cars using the statutory formula.

At item **B**, write the number of cars using the operating cost method.

At item **C**, write the number of loans granted

At item **F**, write the number of housing benefits – units of accommodation

At item **G**, write the number of employees who received a living-away-from-home allowance.

Gross taxable value (a)

In this column write the sum of the taxable values of fringe benefits for that particular benefit category before any reductions (for example,

employee contributions).

If there are no employee contributions or reductions, include this figure in the 'Taxable value of benefits (a) – (b) – (c)' column.

Employee contribution (b)

An employee contribution is a payment you receive from your employee to reduce the cost of the fringe benefit you provide.

For example, employee contributions include amounts an employee pays to you for using a car or car operating costs, such as fuel.

Employee contributions are generally assessable for income tax purposes and must be included in your income tax return. If you lodge a company, trust or partnership return, you must also show the amount of employee contributions you received on that return. If you are an income tax exempt employer, you do not need to lodge an income tax return just because you receive employee contributions.

Write the sum of all employee contributions made for that particular benefit category in this column.

If you write an amount in this column, the employee must make the contribution before you lodge this return.

Special arrangements apply if the contribution is made by a journal entry in your accounts. For more information, see *Miscellaneous Taxation Ruling MT 2050 Fringe benefits tax: payment of recipients contribution by journal entry*.

Excess employee contributions

You can't use any excess employee contributions for one benefit to reduce the taxable value of other benefits you provided to that employee or other employees.

Any excess contribution can either be refunded to the employee or dealt with as agreed between the employer and employee, including being deferred to the following FBT year and applied against the same fringe benefit.

Employee contributions and GST

Employee contributions (other than a contribution of services as an employee) are consideration for a taxable supply and you must pay

GST on the supply. The GST-inclusive employee contribution reduces the taxable value of the fringe benefit.

GST does not form part of an employee's contribution if the:

- benefit is either GST-free or input taxed
- GST was paid to a third party – for example, for fuel
- benefit provider is not registered or required to be registered for GST
- benefit is not a taxable supply.

For more information on how GST applies to employee contributions, see *Goods and Services Tax Ruling GSTR 2001/3 Goods and Services Tax: GST and how it applies to supplies of fringe benefits*.

Value of reductions (c)

This is the total amount where benefits of that category have been reduced:

- under the 'otherwise deductible' rule
- by other means – for example, in relation to in-house fringe benefits.

The 'otherwise deductible' rule only applies if **both** of the following apply:

- the recipients of the benefits are current employees
- you obtain from employees, prior to the day your 2019 FBT return is due or by 21 May 2019, any necessary supporting documents, such as
 - declarations specifying the extent to which the employee was entitled to claim an income tax deduction. This must be in the approved form.
 - receipts
 - invoices.

Find out about:

- Employee Declarations
- The otherwise deductible rule and

- Section 9.4 of Chapter 9 of *Fringe benefits tax – a guide for employers*: Expense payment fringe benefits
- Section 17.5 of Chapter 17 of *Fringe benefits tax – a guide for employers*: Property fringe benefits
- Section 18.7 of Chapter 18 of *Fringe benefits tax – a guide for employers*: Residual fringe benefits


Taxable value of benefits (a) – (b) – (c)

This is the sum of the taxable values of fringe benefits of that particular benefit category, after taking into account any employee contributions and/or other reductions for each fringe benefit. If the total of the employee contributions and reductions are greater than the benefit you provided, show zero on the FBT return, not a negative amount.

When completing this column, make sure you also complete the 'Gross taxable value (a)' column – see [Fringe benefit categories](#).

Illustration 2: Items 19–23

These figures are from [example 2](#), [example 4](#) and [example 5](#).
Your subtotal is \$18,735.61

 Extract of Items 19 to 23 of 2019 FBT return: • Item 19 Subtotal (item 16 amount less item 18 amount) is \$18,735.61 • Item 20 Less instalment amounts reported on activity statements (Visit ato.gov.au/FBT2019 for more information) is \$16,000 • Item 21 Payment due is \$2,735.61 • Item 23 Details of fringe benefits provided is as follows: • 23A Cars using the statutory formula, number is 1, gross taxable value is \$10,000, employee contribution is \$0 and taxable value of benefits is \$10,000. • 23E Expense payments, gross taxable value is \$9,000, employee contribution is \$0, value of reductions is \$0 and taxable value of benefits is \$9,000. • 23P Meal entertainment, gross taxable value is \$1,000 and taxable value of benefits is \$1,000.

Declarations – items 24 and 25

24 Registered tax agent's declaration

Registered tax agents are required to sign the declaration at item **24**.

25 Employer's declaration

You must complete this item if you lodge your 2019 FBT return on your own behalf.

Public officer or authorised officer declaration

The public officer is responsible for doing all things required by the company. In the case of default, the public officer is liable to the same penalties.

A public officer, or authorised officer, must sign and date for companies.

Partnership

One of the partners must sign and date the declaration.

Trust

The trustee or public officer must sign and date the declaration.

Government bodies

The delegated officer must sign and date the declaration.

Next steps:

- [Keeping records for FBT](#)
- [Calculation rates](#)

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Not-for-profit employers – completing your 2019 FBT return

Last updated 26 March 2019

Rebatable employers

Rebatable employers are certain non-government, not-for-profit organisations.

Those that qualify for an FBT rebate are:

- registered charities (other than public benevolent institutions or health promotion charities) that are an institution; not established under a government law and are endorsed by us as a tax concession charity
- certain scientific or public educational institutions
- certain trade unions and employer associations located in Australia exempt from income tax
- not-for-profit tax exempt organisations established for
 - musical purposes
 - community service purposes
- not-for-profit tax exempt organisations established for the encouragement of
 - science
 - animal racing
 - art
 - a game or sport
 - literature
 - music
- not-for-profit tax exempt organisations established for the purpose of promoting the development of
 - aviation or tourism
 - Australian information and communications technology resources
 - Australia's agricultural, pastoral, horticultural, viticultural, aquacultural, fishing, manufacturing or industrial resources.

Charities must be registered with the Australian Charities and Not-for-profits Commission (ACNC) and endorsed by us to access this

concession.

Charities endorsed by us as income tax exempt charities before 3 December 2012 were automatically registered with the ACNC – they don't need to re-register.

See also:

- Not-for-profit concessions
- How to lodge your FBT return for information about when you do and don't need to lodge an FBT return

Items on the return to complete

Rebatable employers complete the following items on the return:

- items
 - 1 to 13
 - 14A and 14B
 - 15 to 25

1 to 13

All employers complete items 1 to 13 the same way – see [Business details – items 1 to 13](#).

14 to 16

Complete these items in the same way as a taxable employer would – see [2019 FBT return calculation details – taxable employers](#).

Rebatable employers **do not** complete item 14C.

17 Aggregate non-rebatable amount

Write your aggregate non-rebatable amount.

Your aggregate non-rebatable amount is the total grossed-up taxable value of the fringe benefits you provide to an individual employee exceeding \$30,000.

You are entitled to a rebate of 47% of your FBT payable on the grossed-up taxable value of benefits you provide to each employee not exceeding \$30,000.

The FBT rebate can't be applied to your aggregate non-rebatable amount. The provision of salary packaged meal entertainment and entertainment facility leasing expense benefits form part of your aggregate non-rebatable amount if the grossed-up taxable value of such benefits exceeds \$5,000.

The following steps will help you calculate your aggregate non-rebatable amount for the year ending 31 March 2019.

Meal entertainment or entertainment facility leasing expense benefits – not provided under a salary packaging arrangement

If you **have not** provided meal entertainment or entertainment facility leasing expense benefits under a salary packaging arrangement for the year ending on 31 March 2019, complete steps **1–14**. Do not complete steps **15–20**.

Meal entertainment or entertainment facility leasing expense benefits provided under a salary packaging arrangement

If you **have** provided meal entertainment or entertainment facility leasing expense benefits under a salary packaging arrangement for the year ending on 31 March 2019, complete steps **1–12**. If you are under the \$30,000 cap for that employee, go straight to step **20**. If you are over the \$30,000 cap, complete steps **15–20**. Do not complete steps **13** and **14**.

Steps to calculate your aggregate non-rebatable amount

Step	Action
1	Establish the employee's individual fringe benefits amount. The individual fringe benefits amount is the value of all benefits other than excluded benefits. For a list of excluded benefits, see chapter 5.2 of <i>Fringe benefits tax – a guide for employers</i> .
2	Identify the amount of GST-creditable (or type 1) fringe benefits included in the amount for step 1. The result from this step is 'amount 1'.
3	Identify those fringe benefits not taken into account in the calculation for step 2 (that is, the result for step 1

	minus the result for step 2). The result from this step is 'amount 2'.
4	<p>Determine the employee's share of the benefits that would be excluded fringe benefits.</p> <p>For a list of excluded benefits, see chapter 5.2 of <i>Fringe benefits tax – a guide for employers</i>.</p> <p>The following excluded fringe benefits are specifically not included in this calculation:</p> <ul style="list-style-type: none"> • meal entertainment benefits not provided under a salary packaged arrangement • car parking fringe benefits • entertainment facility leasing expense benefits not provided under a salary packaged arrangement.
5	Identify the GST-creditable (or type 1) fringe benefits included in step 4. The result from this step is 'amount 3'.
6	Identify those excluded fringe benefits that are not taken into account under step 5 (that is, the result for step 4 minus the result for step 5). The result from this step is 'amount 4'.
7	Add amount 1 and amount 3 (that is, the result from step 2 plus the result from step 5). This is the type 1 individual base non-rebatable amount.
8	Multiply the result from step 7 by 2.0802 (the type 1 gross-up rate). This is the individual grossed-up type 1 non-rebatable amount.
9	Add amount 2 and amount 4 (that is, the result from step 3 plus the result from step 6). This is the type 2 individual base non-rebatable amount.
10	Multiply the result from step 9 by 1.8868 (the type 2 gross-up rate). This is the individual grossed-up type 2 non-rebatable amount.
11	<p>For each employee add:</p> <ul style="list-style-type: none"> • the individual grossed-up type 1 non-rebatable amount for the year ending 31 March 2019 (that is,

	<p>the result from step 8)</p> <ul style="list-style-type: none"> the individual grossed-up type 2 non-rebatable amount for the year ending 31 March 2019 (that is, the result from step 10). <p>The result is the individual grossed-up non-rebatable amount for the employee.</p>
12	<p>Subtract \$30,000 from the individual grossed-up non-rebatable amount for each employee (that is, the result from step 11 minus the FBT rebate cap). If the individual grossed-up non-rebatable amount for an employee is equal to or less than \$30,000, the amount calculated under this step is nil.</p>
13	<p>Add together the amounts calculated at step 12 for each employee. This is your aggregate non-rebatable amount.</p>
14	<p>Multiply the total amount calculated under step 13 by 47% (the FBT rate). Write this amount at item 17.</p>
15	<p>Determine how much of the employee's individual fringe benefits amount relates to salary packaged meal entertainment and entertainment facility leasing expense benefits.</p>
16	<p>Determine how much of the employee's individual fringe benefits amount relates to GST creditable (or type 1) salary packaged meal entertainment and entertainment facility leasing expense benefits. Multiply the result by 2.0802 (the type 1 gross-up amount).</p>
17	<p>Determine how much of the individual fringe benefits amount relates to non-GST creditable (or type 2) salary packaged meal entertainment and entertainment facility leasing expense benefits (that is, the result for step 15 minus the result for step 16). Multiply the result by 1.8868 (the type 2 gross-up amount).</p>
18	<p>Add the amounts calculated at steps 16 and 17. This is the individual grossed-up salary packaged meal entertainment and entertainment facility leasing expense benefits.</p>
19	<p>Subtract from the amount calculated at step 12 the lesser of either:</p>

	<ul style="list-style-type: none"> • \$5,000 • the amount calculated at step 18.
20	Add together the amounts calculated at step 19 for each employee. Multiply the result by 47% (the FBT rate). Write this amount at item 17 . This is your aggregate non-rebatable amount. If you did not need to complete step 19 for any of your employees, the amount is \$0.

18 Amount of rebate

Show at item **18** the amount of rebate you are entitled to. If you complete item **18**, you must also complete item **17**, even if the amount is nil. Use the following formula to calculate the rebate amount:

- $47\% \times [(item\ 16 - item\ 17) \times (rebatable\ days\ in\ year \div total\ days\ in\ year)]$

Gross tax is the amount at item **16**; that is, the total amount of tax calculated on the fringe benefits taxable amount.

The aggregate non-rebatable amount is the part of the taxable value of fringe benefits you can't obtain a rebate for, calculated at item **17**.

Rebatable days in the year are the number of days during the year ending on 31 March 2019 that you qualified as a rebatable employer.

The total days in the year means the number of days you were an employer.

At item **18**, write the amount of rebate you are entitled to.

19 Sub-total

Subtract from item **16** the amount of rebate (if any) calculated at item **18**. Write this amount at item **19** even if the amount is nil.

You must complete this item as it forms the basis of self-assessing any FBT liability.

20 to 25

Complete these items in the same way as a taxable employer would – see [2019 FBT return calculation details – taxable employers \(20 to 25\)](#).

See also:

- [Rebatable employer return](#) – example

Next steps:

- [Correcting a mistake on your FBT return](#)
- [Worked examples – not-for-profit employers – completing your FBT return](#)

Public benevolent institutions and health promotion charities

A public benevolent institution (PBI) is a charity whose main purpose is to relieve poverty, sickness, suffering or disability.

A health promotion charity (HPC) is a charitable institution whose principal activity is to promote the prevention or the control of diseases in human beings.

If your organisation is a public benevolent institution or health promotion charity, the organisation must be endorsed by us to access the FBT exemption. A condition of our endorsement is that PBIs and HPCs must be registered with the Australian Charities and Not-for-profits Commission (ACNC) as a public benevolent institution or health promotion charity.

Organisations endorsed by us to access the FBT exemption for PBIs or HPCs immediately before 3 December 2012 were automatically registered with the ACNC – they don't need to re-register.

See also:

- **Not-for-profit concessions** or phone us on **1300 130 248** – for more about eligibility for this concession, including endorsement and registering.
- **How to lodge your FBT return** for information about when you do and don't need to lodge an FBT return

Items on the return to complete

Eligible PBIs or HPCs complete the following items on the return:

- Items:
 - **1 to 13**
 - **14C**
 - **15 and 16**
 - **19 to 25**

1 to 13

All employers complete items **1 to 13** the same way – see [Business details – items 1 to 13](#).

14 Calculated fringe benefits taxable amounts

Complete item **14C** only.

Eligible PBIs or HPCs **do not** complete items **14A** and **14B**.

14C Aggregate non-exempt amount

Write your aggregate non-exempt amount.

Your aggregate non-exempt amount is the grossed-up taxable value of fringe benefits you provide to an individual employee exceeding \$30,000. You only pay FBT on your aggregate non-exempt amount.

The provision of salary packaged meal entertainment and entertainment facility leasing expense benefits form part of your aggregate non-exempt amount where the grossed-up taxable value of such benefits exceeds \$5,000.

The following steps will help you calculate your aggregate non-exempt amount.

Meal entertainment or entertainment facility leasing expense benefits – not under a salary packaging arrangement

If you **have not** provided meal entertainment or entertainment facility leasing expense benefits under a salary packaging arrangement for the year ending 31 March 2019, complete steps **1–14**. Do not complete steps **15–20**.

Meal entertainment or entertainment facility expense benefits - under a salary packaging arrangement

Alternatively, if you **have** provided meal entertainment or entertainment facility leasing expense benefits under a salary packaging arrangement for the year ending 31 March 2019, complete steps **1–12**. If you are under the \$30,000 cap for that employee, go straight to step **20**. If you are over the \$30,000 cap for that employee, complete steps **15–20**. Do not complete steps **13** and **14**.

Steps to calculate your aggregate non-exempt amount

Step	Action
1	Establish what the employee's individual fringe benefits amount would be if the capping concession was not available. The individual fringe benefits amount is the value of all benefits other than excluded benefits. For a list of excluded benefits, see chapter 5.2 of <i>Fringe benefits tax – a guide for employers</i> .
2	Identify the amount of GST-creditable (or type 1) fringe benefits included in the amount for step 1. The result from this step is 'amount 1'.
3	Identify those fringe benefits not taken into account in the calculation for step 2 (that is, the result for step 1 minus the result for step 2). The result from this step is 'amount 2'.
4	Determine the employee's share of the benefits that would be excluded fringe benefits. For a list of excluded benefits, see chapter 5.2 of <i>Fringe benefits tax – a guide for employers</i> . The following excluded fringe benefits specifically not included in this calculation are: <ul style="list-style-type: none"> • meal entertainment benefits not provided under a salary packaged arrangement • car parking fringe benefits • entertainment facility leasing expense benefits not provided under a salary packaged arrangement.
5	Identify the GST-creditable (or type 1) fringe benefits included in step 4. The result from this step is

	'amount 3'.
6	Identify those excluded fringe benefits that are not taken into account under step 5 (that is, the result for step 4 minus the result for step 5). The result from this step is 'amount 4'.
7	Add amount 1 and amount 3 (that is, the result from step 2 plus the result from step 5).
8	Multiply the result from step 7 by 2.0802 (the type 1 gross-up rate). This is the individual grossed-up type 1 non-exempt amount. Do not write this amount at item 14A .
9	Add amount 2 and amount 4 (that is, the result from step 3 plus the result from step 6). This is the type 2 individual base non-exempt amount. Do not write this amount at item 14B .
10	Multiply the result from step 9 by 1.8868 (the type 2 grossed-up rate). This is the individual grossed-up type 2 non-exempt amount.
11	<p>For each employee add:</p> <ul style="list-style-type: none"> • the individual grossed-up type 1 non-exempt amount for the year ending 31 March 2019 (that is, the result from step 8) • the individual grossed-up type 2 non-exempt amount for the year ending 31 March 2019 (that is, the result from step 10). <p>The result is the individual grossed-up non-exempt amount for the employee.</p>
12	Subtract \$30,000 from the individual grossed-up non-exempt amount for each employee (that is, the result from step 11 minus the capping threshold for registered public benevolent institutions and health promotion charities). If the individual grossed-up non-exempt amount for an employee is equal to or less than \$30,000, the amount calculated under this step is nil.
13	Add together the amounts calculated at step 12 for each employee. This is your aggregate non-exempt amount.

14	Write the amount calculated at step 13 (your aggregate non-exempt amount) at item 14C .
15	Determine how much of the employee's individual fringe benefits amount relates to salary packaged meal entertainment and entertainment facility leasing expense benefits.
16	Determine how much of the employee's individual fringe benefits amount relates to GST-creditable (or type 1) salary packaged meal entertainment and entertainment facility leasing expense benefits. Multiply the result by 2.0802 (the type 1 gross-up amount).
17	Determine how much of the individual grossed-up non-exempt amount relates to non-GST creditable (or type 2) salary packaged meal entertainment and entertainment facility leasing expense benefits (that is, the result for step 15 minus the result for step 16). Multiply the result by 1.8868 (the type 2 gross-up amount).
18	Add the amounts calculated at steps 16 and 17. This is the individual grossed-up salary packaged meal entertainment and entertainment facility leasing expense benefits.
19	Subtract from the amount calculated at step 12 by the lesser of either: <ul style="list-style-type: none"> • \$5,000, and • the amount calculated at step 18.
20	Add together the amounts calculated at step 19 for each employee. Write this amount at item 14C . This is your aggregate non-exempt amount. If you did not need to complete step 19 for any of your employees, the amount is \$0.

15 Fringe benefits taxable amount

Write the amount you wrote at item **14C** even if the amount is nil.

You must complete this item as it forms the basis of self-assessing any FBT liability.

16 Amount of tax payable

Multiply the amount you wrote at item **15** by 47% (the FBT rate for the year ending 31 March 2019) and write the total at item **16** even if the amount is nil. This is the total FBT amount you are liable to pay.

You must complete this item as it forms the basis of self-assessing any FBT liability.

17 Aggregate non-rebatable amount

You must leave item **17** blank.

18 Amount of rebate

You must leave item **18** blank.

19 Sub-total

Write the amount you wrote at item **16** even if the amount is nil.

You must complete this item as it forms the basis of self-assessing any FBT liability.

20 to 25

Complete these items in the same way as a taxable employer would – see [2019 FBT return calculation details – taxable employers \(20 to 25\)](#).

At item **23**, you must include the taxable value of benefits provided (not the aggregate non-exempt amount) if you are any of the following:

- an eligible public benevolent institution
- an eligible health promotion charity
- public hospital
- non-profit hospital
- public ambulance service.

The information you include in the 'Taxable value of benefits' column is based on the total of the individual base non-exempt amounts for all employees (not just the employees for whom the exemption cap was exceeded) calculated at steps 3 and 5 of item **14C** above.

The figures you place in the 'Taxable value of benefits' column must be the amounts before they are grossed-up and before the \$30,000 capping amounts are deducted.

See also:

- [Public benevolent institution return](#) – example

Next steps:

- [Correcting a mistake on your FBT return](#)
- [Worked examples – not-for-profit employers – completing your FBT return](#)

Public hospitals, non-profit hospitals and public ambulance services

Public hospitals, non-profit hospitals and public ambulance services (that are not charities) are not required to be endorsed by us to access the FBT exemption.

For more information about self-assessing your entitlement to the FBT exemption, go to [FBT exemption](#).

The capping threshold for public hospitals, non-profit hospitals and public ambulance services is different to that for eligible public benevolent institutions or health promotion charities.

See also:

- [How to lodge your FBT return for information about when you do and don't need to lodge an FBT return](#)

Items on the return to complete

Public hospitals, non-profit hospitals and public ambulance service employers complete the following items on the FBT return:

- Items:
 - **1 to 13**
 - **14C**
 - **15 and 16**
 - **19 to 25**

1 to 13

All employers complete items **1** to **13** the same way – see [Business details – items 1 to 13](#).

14 Calculated fringe benefits taxable amounts

Complete item **14C** only.

Public hospitals, non-profit hospitals and public ambulance service employers **do not** complete items **14A** and **14B**.

14C Aggregate non-exempt amount

At item **14C** write your aggregate non-exempt amount. Your aggregate non-exempt amount is the total gross value of fringe benefits you provide to an individual employee that exceeds \$17,000.

You only pay FBT on your aggregate non-exempt amount.

The provision of salary packaged meal entertainment and entertainment facility leasing expense benefits form part of your aggregate non-exempt amount where the grossed-up taxable value of such benefits exceeds \$5,000.

Your aggregate non-exempt amount is calculated using the same steps as a public benevolent institution or a health promotion charity (see [Public benevolent institutions and health promotion charities](#)), except for step **12** which is calculated as follows:

- Subtract \$17,000 from the individual grossed-up non-exempt amount for each employee. If the individual grossed-up non-exempt amount is less than or equal to \$17,000, the amount calculated under this step is nil.

15 to 25

Complete these items in the same way as an eligible public benevolent institution and health promotion charity would – see [Public benevolent institutions and health promotion charities](#).

See also:

- [Public hospital return](#) – example

Next steps:

- [Correcting a mistake on your FBT return](#)
- [Worked examples – not-for-profit employers – completing your FBT return](#)

Not-for-profit organisation operating partly as an eligible public benevolent institution employer

If part of your organisation is endorsed by us to access the FBT exemption and the rest of the organisation is a rebatable employer, you must lodge FBT returns as follows:

- If the total grossed-up value of certain benefits provided to the employees of the public benevolent institution employer are less than the \$30,000 capping threshold, then you lodge your FBT return in the same way that a rebatable employer would.
- If the total grossed-up value of certain benefits provided to employees of the public benevolent institution employer exceeds the \$30,000 capping threshold, you must pay tax on the aggregate non-exempt amount of the public benevolent institution employer. You effectively lodge your FBT return as both a rebatable employer and as a public benevolent institution employer, by following the below instructions.

See also:

- [Not-for-profit](#)
- [How to lodge your FBT return for information about when you do and don't need to lodge an FBT return](#)

Items on the return to complete

A not-for-profit organisation operating partly as an eligible public benevolent institution (PBI) employer completes the following items on the FBT return:

- Items:
 - **1 to 13**

- **14A** and **14B** (amounts that you will be treated as a rebatable employer for)
- **14C** (amounts that you will be treated as a PBI for)
- **15** and **16**
- **17** and **18** (amounts that you will be treated as a rebatable employer for)
- **19** to **25**

1 to 13

All employers complete items **1** to **13** the same way – see [Business details – items 1 to 13](#).

14 Calculated fringe benefits taxable amounts

For the amounts that you will be treated as a:

- **Rebatable employer** – complete items **14A** and **14B** in the same way as a rebatable employer would – see [Rebatable employers](#).
- **Public benevolent institution employer** complete item **14C** in the same way as a public benevolent institution would – see [Public benevolent institutions and health promotion charities](#).

15 Fringe benefits taxable amount

At item **15**, write the sum of the amounts at items **14A**, **14B** and **14C** even if the amount is nil.

You must complete this item as it forms the basis of self-assessing any FBT liability.

16 Amount of tax payable

Multiply the amount you wrote at item **15** by 47% (the FBT rate for the year ending 31 March 2019) and write the total at item **16** even if the amount is nil. This is the total FBT amount you are liable to pay.

You must complete this item as it forms the basis of self-assessing any FBT liability.

17 Aggregate non-rebatable amount

Calculate the aggregate non-rebatable amount in the same way as a rebatable employer – see [Rebatable employers](#).

At item **17**, write the total of this amount and the tax payable on the aggregate non-exempt amount (item **14C** × 47%).

18 Amount of rebate

Calculate item **18** in the same way a rebatable employer would – see [Rebatable employers](#).

19 Sub-total

At item **19**, write the amount at item **16** less the amount (if any) at item **18** even if the amount is nil.

You must complete this item as it forms the basis of self-assessing any FBT liability.

20 to 25

Complete these items the same way a taxable employer would – see [2019 FBT return calculation details – taxable employers](#).

If the fringe benefits you provide to the employees of the public benevolent institution employer exceed the \$30,000 capping threshold, at item **23**, the 'Taxable value of benefits' must be the amounts before they are grossed-up and before the \$30,000 capping amounts are deducted (not the aggregate non-exempt amount).

The information you include in the 'Taxable value of benefits' column is based on the total of the individual base non-exempt amounts for all employees (not just the employees for whom the exemption cap was exceeded) you calculated at steps 3 and 5 of item **14C**.

The figures you place in the 'Taxable value of benefits' column must be the amounts before the \$30,000 capping amounts are deducted.

See also:

- [Not-for-profit organisation operating partly as an eligible public benevolent institution](#) – example

Next steps:

- [Correcting a mistake on your FBT return](#)

- [Worked examples – not-for-profit employers – completing your FBT return](#)

QC 58352

Fringe benefit categories

Last updated 26 March 2019

This section details each type of fringe benefit to help you complete item **23**:

- [A – Cars using the statutory formula](#)
- [B – Cars using the operating cost method](#)
- [C – Loans granted](#)
- [D – Debt waiver](#)
- [E – Expense payments](#)
- [F – Housing – units of accommodation provided](#)
- [G – Employees receiving living-away-from-home allowance \(show total paid including exempt components\)](#)
- [J – Board](#)
- [K – Property](#)
- [L – Income tax exempt body – entertainment](#)
- [M – Other benefits \(residual\)](#)
- [N – Car parking](#)
- [P – Meal entertainment](#)

Make sure you don't include the gross-up calculation in the amounts you show at this item.

There are specific valuation rules for each fringe benefit category. Before you can calculate the taxable value of any benefit, and complete the details in the 'Taxable value of benefits' column, you

must identify the category of the benefit you provided and do the appropriate calculations.

See also:

- Fringe benefits tax – a guide for employers

A – Cars using the statutory formula

Car fringe benefits commonly arise when you make a car you 'hold' available for an employee's private use.

You can calculate the taxable value of a car fringe benefit using either the statutory formula method or operating cost method.

When you complete the information at item **A**, do not show the actual value of the cars in the 'Gross taxable value (a)' column.

Employee contributions include:

- amounts the employee pays directly to you for using a car
- any car operating costs (for example, fuel) the employee paid without reimbursement by you.

Use GST-inclusive amounts where appropriate.

Determining the statutory percentage

You can reduce the base value of a car by one-third for the year ending 31 March 2019 if you owned or leased the car in the year ending 31 March 2014. The reduction applies only once for a particular car and you then use the reduced base value for subsequent years.

A flat statutory rate of 20% applies, regardless of the distance travelled, to all car fringe benefits you provide from 1 April 2014 (except where there is a pre-existing commitment in place before 7.30pm AEST on 10 May 2011 to provide a car).

Statutory percentages for car fringe benefits provided if you have a pre-existing commitment in place before 7.30pm AEST 10 May 2011 to provide the car after this time, are available in [chapter 7.4 of *Fringe benefits tax – a guide for employers*](#).

Example 6: Taxable value of car fringe benefits using the statutory formula – no pre-existing

commitment

On 12 June 2018 you agreed to provide an employee with a car fringe benefit. The car was delivered on 1 July 2018 and was available to the employee for private use from that date.

The base value of the car is \$32,000.

The employee did not make any contributions.

The calculation of the taxable value using the statutory formula method is:

$$((A \times B \times C) \div D) - E$$

Where:


- A = the base value of the car
- B = the applicable statutory percentage
- C = the number of days in the FBT year when the car was used or available for private use of employees
- D = the number of days in the FBT year
- E = the employee contribution.

In the example the calculation would be:

- $(\$32,000 \times 20\% \times 274) \div 365) - \$0 = \$4,804.$

At item **23**, Cars using the statutory formula; write:

- Number (of employees) – 1
- Gross taxable value – 4,804
- Employee contributions – 0
- Value of reductions – (blank)
- Taxable value of benefits is (a) – (b) – (c) = 4804

 Extract of Item 23 of 2019 FBT return: • 23A Cars using the statutory formula • Number is 1 • Gross taxable value (a) is \$4,804 • Employee contribution (b) is \$0 • Value of reductions (c) is blank • Taxable value of benefits is (a) – (b) – (c) is \$4,804.

B – Cars using the operating cost method

Use GST-inclusive amounts where appropriate – do not show the actual value of the cars in the 'Gross taxable value (a)' column.

Employee contributions include:

- amounts the employee pays directly to you for using a car
- any car operating costs (for example, fuel) the employee has paid without reimbursement by you.

The total operating costs you use for calculating the fringe benefits taxable value of car fringe benefits are different from those you use for income tax purposes. Also, the income tax depreciation cost limit does not apply for FBT purposes.

Example 7: Taxable value of car fringe benefits using the operating cost method


You have a car with \$10,000 in total operating costs for the year ending 31 March 2019. The employee who uses the car maintains a logbook. Based on the logbook and other usage patterns, you estimate the percentage of private use to be 30%. The employee has not made any contributions during the year.

The calculation of the taxable value for the car using the operating cost method is:

- $(\$10,000 \times 30\%) = \$3,000$.

At item **23**, Cars using the operating cost method; write:

- Number – 1
- Gross taxable value (a) – 3,000
- Employee contribution (b) – 0
- Value of reductions (c) – leave blank
- Taxable value of benefits is $(a) - (b) - (c) = 3,000$

 Extract of Item 23 of 2019 FBT return: • 23B Cars using the operating cost method • Number is 1 • Gross taxable value (a) is \$3,000 • Employee contribution (b) is \$0 • Value of reductions (c) is blank • Taxable value of benefits is (a) – (b) – (c) is \$3,000.

C – Loans granted

A loan fringe benefit arises where you provide a loan to an employee and charge a low rate of interest (or no interest). Item **C** is the number of loans you made that gave rise to taxable fringe benefits and the taxable value of those benefits.

Therefore, do not show the amount of the actual loans in the 'Gross taxable value (a)' column.

See also:

- Fringe benefits tax – rates and thresholds (for the statutory or benchmark interest rates to calculate the taxable value)

Example 8: Taxable value of loan fringe benefits


You are a retail business and lend an employee \$20,000. You did not charge interest and the employee made no repayments during the FBT year.

The calculation based on the statutory (or benchmark) interest rate that applies from 1 April 2018 is:

- $\$20,000 \times 5.20\% = \$1,040$.

At item **23**, Loans granted, write:

- Number – 1
- Gross taxable value (a) – 1,040
- Employee contribution (b) – leave blank
- Value of reductions (c) – 0
- Taxable value of benefits is (a) – (b) – (c) = 1,040

 Extract of Item 23 of 2019 FBT return: • 23C Loans granted • Number is 1 • Gross taxable value (a) is \$1,040, • Employee contribution (b) is blank • Value of reductions (c) is \$0 • Taxable value of benefits is (a) – (b) – (c) is \$1,040.

D – Debt waiver

If an employee is in debt to you and you release the employee from the obligation to repay the debt, the unpaid amount is a debt waiver fringe benefit. Show the amount of this kind of benefit at item **D**.


A debt owed by an employee that you write off as a genuine bad debt is not a debt waiver fringe benefit.

Example 9: Taxable value of debt waiver fringe benefit

You waive a \$500 debt (including principal and interest) that an employee owed you from a previous year.

At item **23**, Debt waiver, write:

- Number – leave blank
- Gross taxable value (a) – 500
- Employee contribution (b) – leave blank
- Value of reductions (c) – leave blank
- Taxable value of benefits is (a) – (b) – (c) = 500

 Extract of Item 23 of 2019 FBT return: • 23D Debt waiver • Number is blank • Gross taxable value (a) is \$500 • Employee contribution (b) is blank • Value of reductions (c) is blank Taxable value of benefits is (a) – (b) – (c) is \$500.

E – Expense payments

An expense payment fringe benefit may arise in either of two ways:

- where you (the employer) reimburse an employee for expenses they incur
- where you pay a third party in satisfaction of expenses incurred by an employee.

Example 10: Taxable value of expense payment fringe benefits


You operate a real estate business and pay an employee's home telephone bill of \$1,200 for the year ending 31 March 2019. On 31 March 2019, your employee provides a declaration stating that 60% of the bills are for business purposes and are, as a result, otherwise deductible. The other 40% of the calls are private calls.

The calculation of the taxable value for the expense payment is:

- $\$1,200 \times 60\% = \720 . \$720 is otherwise deductible
- $\$1,200 - \$720 = \$480$ taxable value.

At item **23**, Expense payments, write:

- Number – leave blank
- Gross taxable value (a) – 1,200
- Employee contribution (b) – 0
- Value of reductions (c) – 720
- Taxable value of benefits is (a) – (b) – (c) = 480

 Extract of Item 23 of 2019 FBT return: • 23E Expense payments • Number is blank • Gross taxable value (a) is \$1,200 • Employee contribution (b) is \$0 • Value of reductions (c) is \$720 • Taxable value of benefits is (a) – (b) – (c) is \$480.

F – Housing – units of accommodation provided

A housing fringe benefit is when an employee is provided with the right to use a unit of accommodation. A lease, or licence, which grants that right must exist when that accommodation is the usual place of residence of the employee.

Housing benefits provided in a remote area may be exempt benefits. Other accommodation that does not meet the requirements of a housing fringe benefit is included as a residual fringe benefit to be shown it at item **M** 'Other benefits (residual)'.

Example 11: Taxable value of housing fringe benefits

You manufacture chocolate and provide a flat in Sydney CBD to your employee for the year ending 31 March 2019. The flat is the employee's usual place of residence for the whole year.


The market rental value for the year is \$26,000 (52 weeks at \$500). The employee pays you a nominal rent of \$2,600 for the year (\$50 per week).

The calculation of the taxable value is:

- $\$26,000 - \$2,600 = \$23,400$.

At item **23**, Housing – unit of accommodation, write:

- Number – 1
- Gross taxable value (a) – 26,000
- Employee contribution (b) – 2,600
- Value of reductions (c) – leave blank
- Taxable value of benefits is (a) – (b) – (c) = 23,400

 Extract of Item 23 of 2019 FBT return: • 23F Housing – units of accommodation provided • Number is 1 • Gross taxable value (a) is \$26,000 • Employee contribution (b) is \$2,600 • Value of reductions (c) is blank • Taxable value of benefits is (a) – (b) – (c) is \$23,400

G – Employees receiving living-away-from-home allowance (show total paid including exempt components)

A living-away-from-home-allowance is paid to your employee to compensate for additional expenses and any disadvantages suffered because the employee's duties require them to live away from their normal residence.

At item **G**, write the amount of benefits you provide to employees as a living-away-from-home allowance, including the exempt accommodation, exempt food components and the statutory food amount.

The statutory food amount is the amount your employees would spend on food at their normal residence – it is set at \$42 per week per adult, and \$21 per week per child under 12.

Write the exempt accommodation and exempt food component amounts in the 'Value of reductions (c)' column, provided you have the relevant declarations.

You must obtain the necessary documentary evidence or declaration of employee expenses and the declaration about living away from home so you can take advantage of any exempt accommodation and exempt food components.

See also:

- Living-away-from-home allowance fringe benefits
- Living-away-from-home declarations
- Fringe benefits tax – rates and thresholds (for the Commissioner's reasonable food and drink amounts)

Example 12: Taxable value of living-away-from-home allowance fringe benefits

Your employee lives away from home in Australia for the year ending 31 March 2019 and receives \$591 per week (\$30,732 for the year) as a living-away-from-home allowance. The employee's duties of employment require them to live away from their normal residence.

This is made up of:

- \$350 per week (\$18,200 for the FBT year) for accommodation
- \$241 per week (\$12,532 for the FBT year) for food.

The accommodation component reflects what the employee could reasonably be expected to pay for rent, and the food component relates to the total estimated food expenditure of \$241 per week. Your employee provides you with the required documentary evidence showing that they spent at least \$350 per week on accommodation. The employee declares they have spent no more than the Commissioner's reasonable food amount and, therefore, is not required to substantiate their expenditure. The employee provides you with a living away from home declaration – employee who maintains an Australian home – on 20 April 2019.

The employee started living at this location in January 2018. Due to the 12-month rule, you are entitled to reduce the taxable value of the allowance for the first 40 weeks of the year starting on 1 April 2018. The employee maintains a home in Australia at which they usually reside and it is available for their use during the year.


The calculation of the taxable value for living-away-from-home allowance fringe benefits is:

- Exempt accommodation component = \$14,000 (40 weeks at \$350 per week)
- Exempt food component = \$7,960 (that is, \$9,640 – \$1,680) [40 weeks at \$199 (\$241 paid less \$42 per week statutory food amount)]

- Taxable value = \$30,732 – \$14,000 (exempt accommodation) – \$7,960 (exempt food) = \$8,772
- Value of reduction is the total of the exempt accommodation and the exempt food components = \$21,960 (that is, \$14,000 + \$7,960).

At item **23**, Employees receiving living away from home allowance, write:

- Number – 1
- Gross taxable value (a) – 30,732
- Employee contribution (b) – leave blank
- Value of reductions (c) – 21,960
- Taxable value of benefits is (a) – (b) – (c) = 8,772

 Extract of Item 23 of 2019 FBT return: • 23G Employees receiving living-away-from-home allowance (show total paid including exempt components) • Number is 1 • Gross taxable value (a) is 30,732 • Employee contribution (b) is blank • Value of reductions (c) is \$21,960 • Taxable value of benefits is (a) – (b) – (c) is \$8,772

J – Board

Meals you provide an employee and family members living with the employee may be a board fringe benefit if:

- you provide an employee with accommodation
- the employee has an entitlement to at least two meals a day prepared and supplied by you on your premises.


Example 13: Taxable value of board fringe benefits

You provide board fringe benefits valued at \$21,900 to employees for the year ending 31 March 2019. You do not require your employees to make a contribution towards their board

meals and their accommodation. The employees would not have been entitled to an income tax deduction had they paid for their meals.

At item **23**, Board, write:

- Number – leave blank
- Gross taxable value (a) – 21,900
- Employee contribution (b) – 0
- Value of reductions (c) – 0
- Taxable value of benefits is (a) – (b) – (c) = 21,900

 Extract of Item 23 of 2019 FBT return: • 23J Board • Number is blank • Gross taxable value (a) is \$21,900 • Employee contribution (b) is \$0 • Value of reductions (c) is \$0 • Taxable value of benefits is (a) – (b) – (c) is \$21,900

K – Property

You may provide a property fringe benefit when you provide an employee with property (for example, goods), either free or at a discount.

Example 14: Taxable value of property fringe benefits

You are an electrical retailer providing a television you sell to the public for \$2,000, and an air conditioner you sell to the public for \$1,600, to an employee during the year ending 31 March 2019. These prices are the lowest selling price including GST. Your employee paid a total of \$300 for these items and did not enter into a salary packaging arrangement to pay for them.

As these items are in-house property fringe benefits, and are not provided under a salary packaging arrangement, the taxable value is 75% of the normal selling price. Additionally, you qualify

for the in-house concession of up to \$1,000 per employee per year. The goods are not used for work-related purposes.


The calculation of the taxable value of the property fringe benefit is:

- Gross taxable value is \$2,700 $[(\$2,000 + \$1,600) \times 75\%]$

Value of reduction is \$1,000.

At item **23**, Property, write:

- Number – leave blank
- Gross taxable value (a) – 2,700
- Employee contribution (b) – 300
- Value of reductions (c) – 1,000
- Taxable value of benefits is (a) – (b) – (c) = 1,400

 Extract of Item 23 of 2019 FBT return: • 23K Property • Number is blank • Gross taxable value (a) is \$2,700 • Employee contribution (b) is \$300 • Value of reductions (c) is \$1,000 • Taxable value of benefits is (a) – (b) – (c) is \$1,400

L – Income tax exempt body – entertainment

A tax-exempt body entertainment fringe benefit may arise from entertainment expenses incurred by you if either:

- you are wholly or partially exempt from income tax
- you did not get assessable income from the activities to which the entertainment relates.

Not-for-profit employers, who are eligible for the FBT capping exemption or FBT rebate, do not need to disclose meal and entertainment facility leasing expense benefits not provided under a salary packaging arrangement at item **23** on the FBT return.

If you provide the entertainment under a salary packaging arrangement, you can't choose to value it as a meal entertainment

fringe benefit.

If you are not exempt from income tax and you provided entertainment, this may give rise to a fringe benefit. Do not value a benefit of this type in this category – instead, establish the taxable value as an expense payment, property or residual fringe benefit, depending on how you provided the benefit. Alternatively, you can value meal entertainment as a meal entertainment fringe benefit.


Example 15: Taxable value of income tax exempt body – entertainment fringe benefits

You are a local council that provides a Christmas function for your employees on your premises. You provided finger food and your employees' spouses attended. You did not elect to value the meal as a meal entertainment fringe benefit.

The value of the tax-exempt body – entertainment, fringe benefit is \$5,000.

At item **23**, Income tax exempt body – entertainment, write:

- Number– leave blank
- Gross taxable value (a) – 5,000
- Employee contribution (b) – leave blank
- Value of reductions (c) – leave blank
- Taxable value of benefits is (a) – (b) – (c) = 5,000

 Extract of Item 23 of 2019 FBT return: • 23L Income tax exempt body – entertainment • Number is blank • Gross taxable value (a) is \$5,000 • Employee contribution (b) is blank • Value of reductions (c) is blank • Taxable value of benefits is (a) – (b) – (c) is \$5,000

M – Other benefits (residual)

You may provide a residual fringe benefit when you provide an employee with either of the following:

- any right, privilege, service or facility
- any other benefit that is not one of the specific categories of fringe benefits included at other categories in item **23**.

If you choose to value entertainment facility leasing expense benefits not provided under a salary packaging arrangement under the 50-50 method, you must write the value of these benefits at item **M**.

Example 16: Taxable value of other benefits (residual fringe benefits)

You run a construction business and own a one-tonne utility with \$8,000 in total operating costs for the year ending 31 March 2019. Your employee uses the utility for both business and private purposes. On 1 May 2019 your employee provides you with a declaration stating that they used the utility 25% of the time for private purposes. Your employee has not made any contributions during the year towards the use of the utility.


The calculation of the taxable value for the utility is:

- $(\$8,000 \times 25\%) - \$0 = \$2,000$.

Value of reduction is $\$8,000 \times 75\% = \$6,000$ (business usage).

At item **23**, Other benefits (residual), write:

- Number– leave blank
- Gross taxable value (a) – 8,000
- Employee contribution (b) – 0
- Value of reductions (c) – 6,000
- Taxable value of benefits is $(a) - (b) - (c) = 2,000$

 Extract of Item 23 of 2019 FBT return: • 23M Other benefits (residual) • Number is blank • Gross taxable value (a) is \$8,000 • Employee contribution (b) is \$0 • Value of reductions (c) is \$6,000 • Taxable value of benefits is (a) – (b) – (c) is \$2,000

N – Car parking

A car parking fringe benefit may arise for each day on which you provide a car parking space for use by an employee.

See also:

- Car parking fringe benefits

Example 17: Taxable value of car parking fringe benefits


You have 10 parking spaces under your city building that you let your employees use during the year ending 31 March 2019.

Your employees use the parking spaces for more than four hours during the working day and there are several commercial parking stations within a kilometre charging more than \$10 a day on 1 April 2018.

The car parking fringe benefits are valued at \$20,000. Your employees have not made any contributions during the year.

At item **23**, Car parking, write:

- Number– leave blank
- Gross taxable value (a) – 20,000
- Employee contribution (b) – 0
- Value of reductions (c) – leave blank
- Taxable value of benefits is (a) – (b) – (c) = 20,000

 Extract of Item 23 of 2019 FBT return: • 23N Car parking • Number is blank • Gross taxable value (a) is \$20,000 • Employee contribution (b) is \$0 • Value of reductions (c) is blank • Taxable value of benefits is (a) – (b) – (c) is \$20,000

P – Meal entertainment

If expense payment fringe benefits, property fringe benefits, residual fringe benefits or tax-exempt body entertainment fringe benefits arise from the provision of meal entertainment, you may be eligible to classify these fringe benefits as meal entertainment fringe benefits. You are not eligible to make an election if benefits are provided under salary packaging arrangements on, or after, 1 April 2018.

If you choose to classify a fringe benefit as a meal entertainment fringe benefit, you have to classify all fringe benefits arising from the provision of meal entertainment during the year ending 31 March 2019 as meal entertainment fringe benefits.

Specifically, the provision of meal entertainment means:

- providing entertainment by way of food or drink
- providing accommodation or travel in connection with, or to facilitate the provision of, such entertainment
- paying or reimbursing expenses incurred by the employee for the above.

See also:

- Chapter 14 – Fringe benefits tax – a guide for employers

There are two methods you can use to calculate the taxable value of meal entertainment fringe benefits:

- 50-50 split method
- 12-week register method.

You must decide to classify fringe benefits as meal entertainment by 21 May 2019 unless we have allowed you to lodge later, or you have a later due date.

Not-for-profit employers, who are eligible for the FBT capping exemption or FBT rebate, do not need to disclose meal and entertainment facility leasing expense benefits not provided under a salary packaging arrangement at item **23** on the FBT return.

Example 18: Taxable value of meal entertainment fringe benefits


You spend \$4,000 on meal entertainment not provided under a salary packaged arrangement for the year ending 31 March 2019. You elect on 1 April 2019 to value the meal entertainment fringe benefits using the 50–50 split method.

The calculation of the taxable value for the meal entertainment fringe benefits is:

- $\$4,000 \times 50\% = \$2,000$.

At item **23**, Meal entertainment, write:

- Number– leave blank
- Gross taxable value (a) – 2,000
- Employee contribution (b) – leave blank
- Value of reductions (c) – leave blank
- Taxable value of benefits is (a) – (b) – (c) = 2,000

 Extract of Item 23 of 2019 FBT return: • 23P Meal entertainment • Number is blank • Gross taxable value (a) is \$2,000 • Employee contribution (b) is blank • Value of reductions (c) is blank • Taxable value of benefits is (a) – (b) – (c) is \$2,000

Next steps:

- [FBT rates and thresholds](#)
- [Completing your 2019 FBT return – all employers](#)
- [Keeping records for FBT](#)

QC 58352

Keeping records for FBT

Last updated 26 March 2019

For tax records, you must keep the following for five years:

- calculations
- worksheets
- declarations
- elections
- supporting details.

You do not need to submit these with your return. Any relevant employee declarations and records of fringe benefits provided by associates must also be kept for five years. Your records must generally be kept for five years from the lodgment of your FBT return, or the due date for lodgment of your return if you do not have to lodge.

You must make your elections and declarations and obtain all employee declarations by 21 May 2019 unless we have allowed you to lodge your FBT return later or you have a later due date.

Record-keeping exemption arrangements

The record-keeping exemption arrangements allow certain employers to choose not to keep certain records for an FBT year if they lodge their FBT return for that year. Instead, we work out your FBT liability for that FBT year using the total taxable value of fringe benefits you provided in an earlier base year when you kept FBT records.

The exemption threshold is \$8,552 for the year ending 31 March 2019.

You can elect to use the record-keeping exemption arrangements if **all** of the following apply:

- You are not a government body or income tax exempt body at any time during the year ending 31 March 2019.

- We have not issued you a notice requiring you to resume record keeping in the year ending 31 March 2018.
- You have established a base year in an earlier year and your FBT liability for every year after that base year was calculated using your aggregate fringe benefits amount for that earlier year.
- The aggregate fringe benefits amount for the benefits provided in the year ending 31 March 2019 does not exceed the amount in the base year by more than 20%, unless the difference is \$100 or less.

A year will be a base year if of all the following apply:

- You were in business for the whole of that year.
- You lodged your FBT return for that year by the due date.
- You have kept and retained FBT records for that year.
- Your aggregate fringe benefits amount (total of taxable values of all fringe benefits) in that year did not exceed the exemption threshold for that FBT year.
- Your FBT liability for that year was worked out from the aggregate fringe benefits amount for that year and not an earlier base year.

If you had elected to use the record-keeping exemption arrangements in an earlier year, but ceased to carry on business operations during the year ending 31 March 2019, you can still use the arrangement. Your FBT liability will be determined from a proportion of the aggregate fringe benefits amount in your base year provided all of the above conditions have been satisfied.

If you use the record-keeping exemption arrangements for the year ending 31 March 2019, you must write at:

- item **15**, the fringe benefits taxable amount you provided in the base year
- item **23**, the taxable value of each category of fringe benefit you provided during the base year.

See also:

- Fringe benefits tax record keeping
- Fringe benefits tax – rates and thresholds

Calculation rates

Last updated 26 March 2019

For the calculation rates for the FBT year 1 April 2018 – 31 March 2019, refer to Fringe benefits tax – rates and thresholds.

Basic car rate – cents per kilometre basis

You now use a single rate per kilometre for all motor vehicles (regardless of the size of the engine).

You must use the basic car rate determined by the Commissioner for the year ending 31 March 2019 if you reimburse an employee on a cents per kilometre basis for certain car expenses.

Basic car rate – cents per kilometre basis

FBT year	Cents per kilometre rate
1 April 2018 – 31 March 2019	Rate for the income year 1 July 2018 – 30 June 2019: 68 cents.

See also:

- Car expenses
- Cents per kilometre method

Worked examples – not-for-profit employers – completing your FBT return

Last updated 26 March 2019

Rebatable employer return

You provide the following benefits for the year ending 31 March 2019 to your employees:

- pay Mark, Sam and eight other employees' children's school fees (an expense payment fringe benefit)
- provide Mark and Sam with cars for private use (a car fringe benefit)
- allow Mark and Sam to purchase restaurant meals on a credit card that is paid by the employer at the end of the month, under a salary packaging arrangement.

The car fringe benefits are type 1 benefits because they are GST taxable supplies with an entitlement to a GST credit.

Mark's car fringe benefit calculated using the statutory formula method (GST taxable supply with an entitlement to a GST credit) is \$14,000.

Sam's car fringe benefit calculated using the statutory formula method (GST taxable supply with an entitlement to a GST credit) is \$15,000.

Total car fringe benefits = \$29,000

Type 1 aggregate amount, which is shown at item **14A** on the return is:

- $\$29,000 \times 2.0802 = \$60,325.80$

The school fees are type 2 benefits because they are GST-free supplies with no GST credit entitlement.

Multiply the expense payment fringe benefits by the number of employees receiving the payment.

$\$6,000$ (expense payment fringe benefit \times 10 (number of employees)) = \$60,000

Type 2 aggregate amount, which is shown at item **14B** on the return, is:

- $\$60,000 \times 1.8868 = \$113,208.00$

The use of the meal card is a type 2 benefit because it is an input taxed financial supply with no entitlement to a GST credit.

Mark's meal entertainment fringe benefit is \$5,500 (ie the amount Mark charged to the credit card for meals).

Sam's meal entertainment fringe benefit is \$2,295.

Total meal entertainment fringe benefit = \$7,795

Type 2 aggregate amount is:

- $\$7,795 \times 1.8868 = \$14,707.60$

The total type 2 aggregate amount is therefore:

- $\$113,208.00 + \$14,707.60 = \$127,915.60$.

You have:

- a fringe benefits taxable amount of \$188,240 ($\$60,325 + \$113,208 + \$14,707$)
- gross tax of \$88,472.80 ($\$188,240 \times 47\%$).

Sam and Mark have an individual grossed-up non-rebatable amount greater than \$30,000. Mark has an amount of \$50,821.00 and Sam has an amount of \$42,523.80. Sam's amount does not include the salary packaged entertainment as the value does not exceed the separate grossed-up cap ($\$2,295 \times 1.8868 = \$4,330.20$).

The calculation of the aggregate non-rebatable amount is as follows:

- $47\% \times [(\$50,821.00 - \$30,000 - \$5,000) + (\$42,523.80 - \$30,000)] = \$13,322.05$

The calculation of the rebate amount is as follows:

- $47\% \times (\$88,472.80 - \$13,322.05) = \$35,320.85$

Completing your FBT return


You would complete your FBT return as follows:

- Item **14A** is completed as $\$29,000 \times 2.0802 = \$60,325$

- Item **14B** is completed as $(\$60,000 + \$7,795) \times 1.8868 = \$67,795 \times 1.8868 = \$127,915$
- Item **14C** is left blank
- Item **15** is completed as items **14A** + **14B** = $\$60,325 + \$127,915 = \$188,240$
- Item **16** is $47\% \times \$188,240 = \$88,472.80$
- Item **17** is the aggregate non-rebatable amount = $\$13,322.05$
- Item **18** is 47% of (item **16** – item **17**) = $47\% \times (\$88,472.80 - \$13,322.05) = \$35,320.85$
- Item **19** is completed as (item **16** amount – item **18** amount) = $(\$88,472.80 - \$35,320.85) = \$53,151.95$
- Item **20** is completed as $\$16,000$
- Item **21** is completed as $\$37,151.95$
- Item **22** is left blank
- Item **23** is completed as follows:

Example details of fringe benefits provided for Rebatable E

Type of benefits provided	Code	Number	Gross taxable value (a)	Employer contribution (b)
Cars using the statutory formula	A	2	29,000	
Expense payments	E		60,000	
Income tax exempt body – entertainment	L		7,795	

 Extract of Items 14 to 23 of 2019 FBT return: • Item 14A Type 1 aggregate amount is $\$29,000 \times 2.0802 = \$60,325$ • Item 14B Type 2 aggregate amount is $(\$60,000 + \$7,795) \times 1.8868 = \$67,795 \times 1.8868 = \$127,915$ • Item 14C is left blank • Item 15 Fringe benefits taxable amount ((A+B) or C) is $\$60,325 + \$127,915 = \$188,240$ • Item 16 Amount of tax payable (47% of item 15 amount) is $47\% \times \$188,240 = \$88,472.80$ • Item 17 Aggregate non-rebatable amount (only complete this item if you are a rebatable employer. Visit ato.gov.au/FBT2019 for more information) is $\$13,322.05$ • Item 18 Amount of rebate (47% of (item 16 amount less item 17 amount) (only complete this item if you are a rebatable employer. Visit ato.gov.au/FBT2019 for more information) is $47\% \times (\$88,472.80 - \$13,322.05) = \$35,320.85$ • Item 19 Sub-total (item 16 amount less item 18 amount) is $(\$88,472.80 - \$35,320.85) = \$53,151.95$ • Item 20 Less instalment amounts reported on activity statements (Visit ato.gov.au/FBT2019 for more information) is $\$16,000$ • Item 21 Payment due is $\$37,151.95$ • Item 22 is left blank • Item 23 Details of fringe benefits provided is as follows: • 23A Cars using the statutory formula, number is 2, gross taxable value is $\$29,000$, employee contribution is $\$0$ and taxable value of benefits is $\$29,000$ • 23E Expense payments, gross taxable value is $\$60,000$, employee contribution is $\$0$, value of reductions is $\$0$ and taxable value of benefits is $\$60,000$ • 23L Income tax exempt body-entertainment, gross taxable value is $\$7,795$ and taxable value of benefits is $\$7,795$.

The other worked examples are:

- [Public benevolent institution return](#)
- [Public hospital return](#)
- [Not-for-profit organisation operating partly as an eligible public benevolent institution](#)

Public benevolent institution return

You are a public benevolent institution that is registered for GST and provide your employees with the following fringe benefits:

- car fringe benefits to Louise and Wendy valued at $\$2,000$ and $\$25,000$ respectively using the statutory formula method (type 1 benefits as you are entitled to GST credits for the provision of these benefits)

- entertainment facility leasing expense benefits to Louise under a salary package arrangement to enable her to hire a room for \$5,000 at Fantasy Wedding receptions (type 2 benefit as you are not entitled to a GST credit for the provision of this benefit)
- entertainment facility leasing expense benefits to Wendy by reimbursing her \$15,000 for the amount of rent she paid on hiring a houseboat on her holiday (type 2 benefit as you are not entitled to a GST credit for the provision of this benefit).

Louise's grossed-up type 1 amount is:

- car fringe benefit = \$4,160.40 ($\$2,000 \times 2.0802$).

Louise's grossed-up type 2 amount is:

- salary packaged entertainment facility leasing expense benefit = \$9,434.00 ($\$5,000 \times 1.8868$).

As the separate cap for salary packaged meal entertainment and entertainment facility leasing expense benefits has been exceeded (the grossed-up salary packaged meal entertainment and entertainment facility leasing expense benefits is \$9,434.00), this amount is included in determining whether the capping threshold has been exceeded for benefits you provided to Louise.

Louise's aggregate exempt amount is:

- = \$8,594.40 ($\$4,160.40 + \$9,434.00 - \$5,000$), which is less than the cap of \$30,000.

Louise does not have a grossed-up non-exempt amount. You are not liable for FBT on the benefits you provide to Louise.

Wendy's grossed-up type 1 amount is:

- car fringe benefit = \$52,005.00 ($\$25,000 \times 2.0802$).

As the reimbursement of rent for the houseboat is not provided under a salary packaged arrangement it is not included in determining Wendy's individual grossed-up non-exempt amount. The capping threshold for Wendy has been exceeded and your aggregate non-exempt amount would be:

- $\$52,005.00 - \$30,000 = \$22,005.00$.

Completing your FBT return


You would complete your FBT return as follows:

- Item **14C** is completed as \$22,005
- Item **15** is completed as \$22,005
- Item **16** is completed as $\$22,005 \times 0.47 = \$10,342.35$
- Items **17** and **18** are left blank
- Item **18** is left blank
- Item **19** is completed as \$10,342.35
- Item **20** is completed as \$16,000
- Item **21** is left blank
- Item **22** is completed as \$5,657.65
- Item **23** is completed as follows:

Example details of fringe benefits provided for Public benefit return

Types of benefits provided	Code	Number	Gross taxable value (a)	Employer contribution (b)
Cars using the statutory formula	A	2	27,000	
Income tax exempt body – entertainment	L		5,000	

The entertainment not provided under a salary sacrifice arrangement does not have to be shown at item **23**.

 Extract of Items 14 to 23 of 2019 FBT return: • Item 14C Aggregate non-exempt amount (hospitals, ambulances, public benevolent institutions and health promotion charities only) is \$22,005 • Item 15 Fringe benefits taxable amount ((A+B) or C) is \$22,005 • Item 16 Amount of tax payable (47% of item 15 amount) is $\$22,005 \times 0.47 = \$10,342.35$ • Item 17 Aggregate non-rebatable amount (Only complete this item if you are a rebatable employer. Visit ato.gov.au/FBT2019 for more information) is \$0 • Item 18 Amount of rebate (47% of (item 16 amount less item 17 amount) (Only complete this item if you are a rebatable employer. Visit ato.gov.au/FBT2019 for more information) is \$0 • Item 19 Sub-total (item 16 amount less item 18 amount) is $\$10,342.35 - 0 = \$10,342.35$ • Item 20 Less instalment amounts reported on activity statements (Visit ato.gov.au/FBT2019 for more information) is \$16,000 • Item 21 is left blank • Item 22 Credit due to you is \$5,657.65 • Item 23 Details of fringe benefits provided is as follows: • 23A Cars using the statutory formula, number is 2, gross taxable value is \$27,000, employee contribution is \$0 and taxable value of benefits is \$27,000. • 23L Income tax exempt body-entertainment, gross taxable value is \$5,000 and taxable value of benefits is \$5,000.

The other worked examples are:

- [Rebatable employer return](#)
- [Public hospital return](#)
- [Not-for-profit organisation operating partly as an eligible public benevolent institution](#)

Public hospital return



Not-for-profit organisation operating partly as an eligible public benevolent institution



Public hospital return

Last updated 26 March 2019

You are a public hospital that is registered for GST, pay instalments during the year totalling \$16,000 and provide your employees with the following fringe benefits:

- car fringe benefits to Louise and Wendy valued at \$2,000 using the operating cost method and \$25,000 using the statutory formula method respectively (type 1 benefits as you are entitled to GST credits for the provision of these benefits)
- entertainment facility leasing expense benefits to Louise under a salary packaged arrangement to enable her to hire a room for \$5,000 at Fantasy Wedding receptions (type 2 benefit as you are not entitled to a GST credit for the provision of this benefit)
- entertainment facility leasing expense benefits to Wendy by reimbursing her \$15,000 for the amount of rent she paid on hiring a houseboat on her holiday (type 2 benefit as you are not entitled to a GST credit for the provision of this benefit).

Louise's grossed-up type 1 amount is:

- car fringe benefit = \$4,160.40 ($\$2,000 \times 2.0802$).

Louise's grossed-up type 2 amount is:

- salary packaged entertainment facility leasing expense benefit = \$9,434.00 ($\$5,000 \times 1.8868$).

As the separate cap for salary packaged meal entertainment and entertainment facility leasing expense benefits has been exceeded (the grossed-up salary packaged benefit is \$9,434.00), this amount is included in determining whether the capping threshold has been exceeded for benefits you provided to Louise.

Louise's aggregate exempt amount is:

- = \$8,594.40 ($\$4,160.40 + \$9,434.00 - \$5,000$), which is less than the cap of \$17,000.

Louise does not have a grossed-up non-exempt amount. You are not liable for FBT on the benefits you provide to Louise.

Wendy's grossed-up type 1 amount is:

- car fringe benefit = \$52,005.00 ($\$25,000 \times 2.0802$).

As the reimbursement of rent for the houseboat is not provided under a salary packaged arrangement it is not included in determining Wendy's individual grossed-up non-exempt amount.

The capping threshold for Wendy has been exceeded and your aggregate non-exempt amount would be:

- $\$52,005.00 - \$17,000 = \$35,005.00$.

Completing your FBT return

You would complete your FBT return as follows:


- Item **14C** is completed as \$35,005
- Item **15** is completed as \$35,005
- Item **16** is completed as $\$35,005 \times 0.47 = \$16,452.35$
- Items **17** and **18** are left blank
- Item **19** is completed as \$16,452.35
- Item **20** is completed as \$16,000
- Item **21** is completed as $(\$16,000 - \$16,452.35) - \$452.35$
- Item **22** is left blank
- Item **23** is completed as follows:

Example details of fringe benefits provided for Public Hosp

Type of benefit provided	Code	Number	Gross taxable value (a)	Employer contribution (b)
Cars using the statutory formula	A	1	25,000	

Cars using the operating cost method	B	1	2,000	
Income tax exempt body – entertainment	L		5,000	

The entertainment not provided under a salary sacrifice arrangement does not have to be shown at item **23**.

 Extract of Items 14 to 23 of 2019 FBT return: • Item 14C Aggregate non-exempt amount (hospitals, ambulances, public benevolent institutions and health promotion charities only) is \$35,005 • Item 15 Fringe benefits taxable amount ((A+B) or C) is \$35,005 • Item 16 Amount of tax payable (47% of item 15 amount) is $\$35,005 \times 0.47 = \$16,452.35$ • Item 17 Aggregate non-rebatable amount (only complete this item if you are a rebatable employer. Visit ato.gov.au/FBT2019 for more information) is \$0 • Item 18 Amount of rebate (47% of (item 16 amount less item 17 amount) (only complete this item if you are a rebatable employer. Visit ato.gov.au/FBT2019 for more information) is \$0 • Item 19 Sub-total (item 16 amount less item 18 amount) is $\$16,452.35 - 0 = \$16,452.35$ • Item 20 Less instalment amounts reported on activity statements (Visit ato.gov.au/FBT2019 for more information) is \$16,000 • Item 21 Payment due is $\$16,000 - \$16,452.35 = \$452.35$ • Item 22 is left blank • Item 23 Details of fringe benefits provided is as follows: • 23A Cars using the statutory formula, number is 1, gross taxable value is \$25,000, employee contribution is \$0 and taxable value of benefits is \$25,000. • 23B Cars using the operating cost method, number is 1, gross taxable value is \$2,000, employee contribution is \$0 and taxable value of benefits is \$2,000 • 23L Income tax exempt body-entertainment, gross taxable value is \$5,000 and taxable value of benefits is \$5,000.

The other worked examples are:

- [Rebatable employer return](#)
- [Public benevolent institution return](#)
- [Not-for-profit organisation operating partly as an eligible public benevolent institution](#)

QC 58352

Not-for-profit organisation operating partly as an eligible public benevolent institution

Last updated 26 March 2019

You are a not-for-profit organisation, part of which is eligible for FBT exemption (as you are a public benevolent institution (PBI) employer) and the rest of the organisation is a rebatable employer. You paid instalments of \$16,000 during the FBT year.

You have a fringe benefits taxable amount of \$150,000 for the year ending on 31 March 2019 made up of:

- \$105,000 type 1 car fringe benefits valued using the statutory formula method (type 1 aggregate amount of \$50,476 × 2.0802)
- \$33,000 type 2 expense payment benefits (type 2 aggregate amount of \$17,490 × 1.8868)
- an aggregate non-exempt amount of \$12,000, which is for residual benefits for a third employee who is employed in the eligible public benevolent institution part of the organisation. The employee received a total of \$42,000 in residual benefits during the year.

You have two employees in the rebatable part of your organisation with individual grossed-up non-rebatable amounts greater than \$30,000. One employee has an amount of \$50,000, and the other has an amount of \$45,000.

The calculation of the aggregate non-rebatable amount is as follows:

$$(\$50,000 - \$30,000) + (\$45,000 - \$30,000) \times 47\% = \$16,450.00$$

Add to this amount the tax payable on the aggregate non-exempt amount ($\$12,000 \times 47\%$) = \$5,640.00

$$\$16,450.00 + \$5,640.00 = \$22,090.00.$$

The calculation of the amount of rebate is as follows:

- $0.47 \times (\text{amount of tax payable} - \text{aggregate non-rebatable amount})$.

The amount of tax payable is 47% of the fringe benefits taxable amount, which equates to gross tax of \$70,500 ($0.47 \times \$150,000$).

The rebate calculation is:

- $0.47 \times (\$70,500.00 - \$22,090.00) = \$22,752.70$.

Completing your FBT return


You would complete your FBT return as follows:

- Item **14A** is completed as $\$50,476 \times 2.0802 = \$105,000$
- Item **14B** is completed as $\$17,490 \times 1.8868 = \$33,000$
- Item **14C** is completed as $\$12,000$
- Item **15** is completed as $(\$105,000 + \$33,000 + \$12,000) = \$150,000$
- Item **16** is completed as $47\% \text{ of } \$150,000 = \$70,500$
- Item **17** is completed as $\$22,090$
- Item **18** is completed as $\$22,752.70$
- Item **19** is completed as $(\$70,500 - \$22,752.70) = \$47,747.30$
- Item **20** is completed as $\$16,000$
- Item **21** is completed as $(\$47,747.30 - \$16,000) = \$31,747.30$
- Item **22** is left blank
- Item **23** is completed as:

Example details of fringe benefits provided for Not-for-pro operating partly as an eligible Public Benevolent Institution

Type of benefits provided	Code	Number	Gross taxable value (a)	Employee contribution (b)

Cars using the statutory formula	A	1	50,476	0
Expense payments	E		17,490	0
Other benefits (residual)	M		42,000	0

 Extract of Items 14 to 23 of 2019 FBT return: • Item 14A Type 1 aggregate amount is $\$50,476 \times 2.0802 = \$105,000$ • Item 14B Type 2 aggregate amount is $\$17,490 \times 1.8868 = \$33,000$ • Item 14C Aggregate non-exempt amount (hospitals, ambulances, public benevolent institutions and health promotion charities only) is $\$12,000$ • Item 15 Fringe benefits taxable amount ((A+B) or C) is $(\$105,000 + \$33,000 + \$12,000) = \$150,000$ • Item 16 Amount of tax payable (47% of item 15 amount) is $47\% \text{ of } \$150,000 = \$70,500$ • Item 17 Aggregate non-rebatable amount (only complete this item if you are a rebatable employer. Visit ato.gov.au/FBT2019 for more information) is $\$22,090$ • Item 18 Amount of rebate (47% of (item 16 amount less item 17 amount) (only complete this item if you are a rebatable employer. Visit ato.gov.au/FBT2019 for more information) is $47\% \text{ of } (\$70,500 - \$22,090) = \$22,752.70$ • Item 19 Sub-total (item 16 amount less item 18 amount) is $\$70,500 - \$22,752.70 = \$47,747.30$ • Item 20 Less instalment amounts reported on activity statements (Visit ato.gov.au/FBT2019 for more information) is $\$16,000$ • Item 21 Payment due is $(\$47,747.30 - \$16,000) = \$31,747.30$ • Item 22 is left blank • Item 23 Details of fringe benefits provided is as follows: • 23A Cars using the statutory formula, number is 1, gross taxable value is $\$50,476$, employee contribution is $\$0$ and taxable value of benefits is $\$50,476$ • 23E Expense payments, gross taxable value is $\$17,490$, employee contribution is $\$0$, value of reductions is $\$0$ and taxable value of benefits is $\$17,490$ • 23M Other benefits (residual), gross taxable value is $\$42,000$, employee contribution is $\$0$, value of reductions is $\$0$ and taxable value of benefits is $\$42,000$.

The other worked examples are:

- [Rebatable employer return](#)

- [Public benevolent institution return](#)
- [Public hospital return](#)

QC 58352

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If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

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