



2022 Fringe benefits tax return instructions

Instructions for completing your 2022 Fringe benefits tax (FBT) return, including examples.

Last updated 14 April 2022

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Lodgment and payment dates may differ depending on if you lodge your own FBT return, or a tax agent lodges on your behalf.

You may also wish to refer to the **2022 Fringe benefits tax (FBT) return** and the **FBT guide for employers**.

What's new in FBT



FBT rates and thresholds



Completing your 2022 FBT return – all employers



2022 FBT return calculation details – taxable employers



Not-for-profit employers – completing your 2022 FBT return



Item 23 Fringe benefit categories



Keeping records for FBT



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What's new in FBT

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Read about recent events and changes affecting fringe benefits tax (FBT).

Note: Announced measures that are not yet law are subject to consideration by the incoming government. In these circumstances, you need to self-assess based on current law. If you choose to anticipate new law in line with the announcement and it is not enacted, you may need to seek an amendment. See more about **administrative treatment of retrospective legislation**.

Proposed and recent law changes

Proposed law changes include:

- [Changes to FBT record keeping](#)
- [Worker entitlement contributions](#)
- [Worker entitlement funds](#)

Recent law changes include:

- [COVID-19 testing for work-related purposes and the otherwise deductible rule](#)
- [FBT retraining and reskilling exemption](#)
- [Access to certain FBT small business concessions](#)

Proposed law changes

Changes to FBT record keeping

The government has announced it will provide the Commissioner of Taxation with the power to allow employers to rely on alternative records, such as existing corporate records where adequate, to finalise

their FBT returns. This would be an alternative to employee declarations and other prescribed records.

If enacted, the changes will take effect from the start of the first FBT year (1 April) after the date of royal assent of the legislation. As it has not yet been enacted, the usual FBT record keeping obligations apply for the FBT year ending 31 March 2022.

Worker entitlement contributions

Under changes proposed by the *Fair Work Laws Amendment (Proper Use of Worker Benefits) Bill 2019*, 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*
- register maintained by the Registered Organisations Commissioner as a transitioning approved or non-approved fund.

Funds currently endorsed as an 'approved worker entitlement fund' for fringe benefits tax may be 'transitioning funds' for up to 12 months after commencement 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.

Recent law changes

COVID-19 testing for work-related purposes and the otherwise deductible rule

From 1 July 2021, individuals who buy or pay for a COVID-19 test for work-related purposes – such as to work out if they should attend or remain at work – can claim an income tax deduction for this expense.

If an employer buys, pays for or reimburses these expenses instead of the employee incurring the expense, the otherwise deductible rule may apply. This will reduce the taxable value of the expense payment, property or residual fringe benefit.

For information about testing to attend the workplace and the otherwise deductible rule, see **FBT, COVID-19 tests and the otherwise deductible rule**.

FBT retraining and reskilling exemption

Under changes to the FBT laws, employers who provide a benefit in respect of training or education to employees who are redundant – or are soon to be made redundant – may now be exempt from FBT.

The exemption can be applied to retraining and reskilling benefits provided on or after 2 October 2020.

Retraining and reskilling benefits that are exempt from FBT are not included in your FBT return, or in your employee's reportable fringe benefits amount.

The FBT guide for employers further explains **exempt benefits** (chapter 20).

Access to certain FBT small business concessions

Under changes to the FBT and income tax laws, businesses with an aggregated turnover of \$10 million or more and less than \$50 million can access certain existing FBT small business concessions.

Eligible businesses can access:

- a fringe benefits tax exemption in relation to small business car parking

- a fringe benefits tax exemption in relation to the provision of multiple work-related portable electronic devices.

The changes to eligibility for the concessions apply in relation to benefits provided to employees from 1 April 2021 onwards.

The FBT guide for employers further explains car parking fringe benefits (chapter 16.1) and portable electronic device exemptions (chapter 20.8).

Administrative changes

Deferral of due date for balancing payment for FBT

The due date for the balancing payment for fringe benefits tax (FBT) for employers using tax practitioners who lodge FBT returns electronically has been deferred from 28 May to 25 June.

The due date of the balancing payment is now aligned to the due date of the FBT return lodgment date of 25 June for this class of taxpayers.

This deferral applies from the 2021 FBT year onwards. Note that the 25 June 2022 falls on a weekend, so the due date for the 2022 year will be the 27th June 2022 (the next business day).

Recent public advice and guidance

Coronavirus (COVID-19) vaccination incentives and rewards

Where incentives and rewards were provided to employees who received their COVID-19 vaccinations, employers may have FBT and other tax and super obligations. We've published a [fact sheet](#) on the legal database to help employers understand these obligations.

Coronavirus (COVID-19) impacts

Businesses may have been impacted by COVID-19 and employers may provide their employees with benefits as a result. This may affect your FBT obligations. This includes allowing your employees to garage a work vehicle at home and paying for items that allow your employees to work from home.

To help you deal with FBT obligations in the context of COVID-19 we have information on our [website](#), as well as fact sheets on our legal database regarding **car fringe benefits** and **working from home benefits**.

Car parking fringe benefits

Taxation Ruling 2021/2 *Fringe benefits tax: car parking benefits* which was published on 16 June 2021.

This ruling finalises Draft Taxation Ruling TR 2019/D5. The ruling sets out when the provision of car parking is a 'car parking benefit' for the purposes of the fringe benefits tax legislation.

This ruling applies before and after its date of issue. However, to the extent that this ruling conflicts with views in Taxation Ruling TR 96/26 *Fringe benefits tax: car parking fringe benefits* (withdrawn 13 November 2019), it will apply to car parking benefits provided on or after **1 April 2022**.

Deductibility of employee travel expenses

Taxation Ruling TR 2021/1 *Income tax: when are deductions allowed for employee's transport expenses?* was published on 17 February 2021. This ruling finalises Draft Taxation Ruling TR 2019/D7, and provides guidance on when an employee can deduct transport expenses under section 8-1 of the *Income Tax Assessment Act 1997*.

This ruling explains that generally, transport expenses for travel between home and a regular place of work do not have the required connection to employment income and are not deductible. In contrast, transport expenses incurred when travelling between work locations are generally deductible provided neither location is the employee's home. The ruling also explains a number of special cases or exceptions to these general rules.

This ruling applies in determining whether such expenses, if paid by the employer as a fringe benefit, would be 'otherwise deductible' if they had been incurred by the employee.

Travel-related food and drink expenses, travel allowances and living-away-from-home allowance (LAFHA)

Taxation ruling TR 2021/4 *Income tax and fringe benefits tax: employees: accommodation and food and drink expenses, travel allowances and living-away-from-home allowances* was published on 11 August 2021. It finalises TR 2021/D1 and explains:

- when an employee can deduct travel-related accommodation and food and drink expenses under section 8-1 of the *Income Tax Assessment Act 1997* (ITAA 1997)
- the fringe benefits tax implications, including the application of the 'otherwise deductible rule'
- the criteria for determining where an allowance is a travel allowance (as defined in subsection 900-30(3) of the ITAA 1997) or a living-away-from-home allowance benefit (under section 30 of the *Fringe Benefits Tax Assessment Act 1986*) and the differences between them.

Practical Compliance Guideline PCG 2021/3 *Determining if allowances or benefits provided to an employee relate to travelling on work or living at a location – ATO compliance approach* was published on 11 August 2021. It outlines the ATO's compliance approach to determining if employees in certain circumstances are travelling on work or living at a location away from their normal residence. It should be read in conjunction with Taxation Ruling TR 2021/4 *Income tax and fringe benefits tax: employees: accommodation and food and drink expenses, travel allowances and living-away-from-home allowances*.

Next steps

- [FBT rates and thresholds](#)
- [Completing your 2022 FBT return – all employers](#)

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FBT rates and thresholds

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[FBT rates](#)

[Not-for-profit capping thresholds and FBT rebate rate](#)

The FBT rates and thresholds have **not** changed for the FBT year ending 31 March 2022.

FBT rates

The FBT rates are in the table below. They have **not** changed for the FBT year ending 31 March 2022.

FBT rates

FBT year ending	FBT rate of tax	Type 1 gross-up rate	Type 2 gross-up rate
31 March 2020, 2021, 2022 and 2023	47%	2.0802	1.8868

Not-for-profit capping thresholds and FBT rebate rate

The not-for-profit capping thresholds and FBT rebate rate are in the table below. They have **not** changed for the FBT year ending 31 March 2022.

Not-for-profit capping threshold and FBT rebate rate

FBT year ending	Public benevolent institutions, health promotion charities, rebatable employers	Public and not-for-profit hospitals and public ambulance services	Meal entertainment and entertainment facility leasing expense benefits (all not-for-profit employers)
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			eligible for a cap)
31 March 2020, 2021, 2022 and 2023	\$30,000	\$17,000	\$5,000

Next steps

- [Completing your 2022 FBT return – all employers](#)
- [Not-for-profit employers – completing your 2022 FBT return](#)

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Completing your 2022 FBT return – all employers

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

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[Return calculation details](#)

[FBT concessions and exemptions for certain employers](#)

We are authorised by the *Taxation Administration Act 1953* (TAA 1953) to request tax file numbers (TFNs). We will use the TFN to identify the entity in our records. It is not an offence not to provide the TFN. However, if you don't provide the TFN, the processing of your form may be delayed.

We are also authorised by the *Fringe Benefits Tax Assessment Act 1986* and the TAA 1953 to ask for information on this form as we require it to help us administer relevant taxation laws. If the information is not collected, there could be a delay in processing your return or an error in an assessment.

Our FBT privacy notice gives more information on our rights and responsibilities regarding the information we collect.

Correcting a mistake on your FBT return

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.

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 2022 FBT return for the following items:

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

A change of name must be supported by a 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 2021 to 31 March 2022

Write the total number of employees and their associates who received fringe benefits during the period 1 April 2021 to 31 March 2022.

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

We are committed to reducing the costs involved in complying with your taxation obligations. By completing this item, you will help us to monitor these costs as closely as possible. Your response to this question is voluntary.

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 2022, they fall into the 2023 FBT year and you may need to lodge a 2023 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, not-for-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](#) – that was endorsed by us on or before 2 December 2012 and registered with the Australian Charities and Not-for-profits Commission (ACNC) on or after 3 December 2012

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.

The FBT guide for employers provides more detail about not-for-profit organisations and fringe benefits tax (chapter 6).

If you are covered under one of the above category types for the year ending 31 March 2022, see the specific instructions at [Not-for-profit employers – completing your 2022 FBT return](#).

If you are not covered under one of the above category types for the year ending 31 March 2022, see [2022 FBT return calculation details – taxable employers](#) for instructions.

Next steps

- [2022 FBT return calculation details – taxable employers](#)
- [Not-for-profit employers – completing your 2022 FBT return](#)
- [Keeping records for FBT](#)

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2022 FBT return calculation details – taxable employers

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[Return calculation details – items 14A to 23](#)

[Declarations – items 24 and 25](#)

The following steps through how to complete your return calculation details (items 14A to 23) and declarations (items 24 and 25).

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' income statements or 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 these car fringe benefits is \$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' income statements or 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 is \$6,000.

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

The taxable value of the reimbursements is \$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 not-for-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 2022 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 2022) 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 2022 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 2022 FBT return](#).

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

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

 Item 14A-23 Taxable employers Extract of Items 14 to 19 of 2022 FBT return: • Item 14A Type 1 aggregate amount is \$11,000 × 2.0802 = \$22,882 • Item 14B Type 2 aggregate amount is \$9,000 × 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/FBT2022 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/FBT2022 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 2022 FBT year. Show the total amount at item **20**. We will credit this amount against your 2022 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 2022, including the March 2022 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 2021 were:

- quarter ending 31 March 2022 – \$4,000
- quarter ending 31 December 2021 – \$4,000
- quarter ending 30 September 2021 – \$4,000
- quarter ending 30 June 2021 – \$4,000
- total instalments for the FBT year (1 April 2021 – 31 March 2022) – \$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 the 2022 FBT year
- the amount you must pay by 23 May 2022 (unless you have made other arrangements with us).

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

There are a range of options for **how you pay us**.

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 have shown 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.

We provide more detail about how to complete item 23 for each type of benefit at [Item 23 Fringe benefit categories](#).

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**:

- item **A** – write the number of cars using the statutory formula
- item **B** – write the number of cars using the operating cost method
- item **C** – write the number of loans granted
- item **F** – write the number of housing benefits – units of accommodation
- 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 2022 FBT return is due or by 23 May 2022, any necessary supporting documents, such as
 - **employee 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.

The FBT guide for employers has more information regarding the otherwise deductible rule and:

- expense payment fringe benefits (chapter 9.4)
- property fringe benefits (chapter 17.5)
- residual fringe benefits (chapter 18.7).


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 item 23 [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 2022 FBT return: • Item 19 Sub-total (item 16 amount less item 18 amount) is \$18,735.61 • Item 20 Less instalment amounts reported on activity statements (Visit ato.gov.au/FBT2022 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 2022 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 2022 FBT return

Last updated 14 April 2022

On this page

[Rebatable employers](#)

[Public benevolent institutions and health promotion charities](#)

[Public hospitals, not-for-profit hospitals and public ambulance services](#)

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

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

- 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 either
 - musical purposes
 - community service purposes
- not-for-profit tax-exempt organisations established for the encouragement of any 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 any 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.

You can check which concessions are available to not-for-profit organisations and how to lodge your 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 [2022 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 2022.

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 2022, 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 2022, 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	<p>Establish the employee's individual fringe benefits amount. The individual fringe benefits amount is the value of all benefits other than excluded benefits.</p> <p>For a list of excluded benefits, see chapter 5.2 of <i>Fringe benefits tax – a guide for employers</i>.</p>
2	<p>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'.</p>
3	<p>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'.</p>
4	<p>Determine the employee's share of the benefits that would be excluded fringe benefits.</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 2022 (that is, the result from step 8) • the individual grossed-up type 2 non-rebatable amount for the year ending 31 March 2022 (that is, the result from step 10). <p>The result is the individual grossed-up non-rebatable amount for the employee.</p>
12	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.
13	Add together the amounts calculated at step 12 for each employee. This is your aggregate non-rebatable amount.
14	Multiply the total amount calculated under step 13 by 47% (the FBT rate). Write this amount at item 17 .
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 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).
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 the lesser of either: <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:

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

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 2022 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 [2022 FBT return calculation details – taxable employers \(20 to 25\)](#).

The [worked example](#) of a rebatable employer return may help with these items.

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 charity 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 2022, 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 2022, 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	<p>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.</p> <p>For a list of excluded benefits, see chapter 5.2 of <i>Fringe benefits tax – a guide for employers</i>.</p>
2	<p>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'.</p>
3	<p>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'.</p>
4	<p>Determine the employee's share of the benefits that would be excluded fringe benefits.</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	<p>Identify the GST-creditable (or type 1) fringe benefits included in step 4. The result from this step is 'amount 3'.</p>
6	<p>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'.</p>
7	<p>Add amount 1 and amount 3 (that is, the result from step 2 plus the result from step 5).</p>
8	<p>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.</p>

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 2022 (that is, the result from step 8) • the individual grossed-up type 2 non-exempt amount for the year ending 31 March 2022 (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 • 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 2022) 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 [2022 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
- not-for-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.

Our example of the [Public benevolent institution return](#) may help you complete these items.

Next steps

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

Public hospitals, not-for-profit hospitals and public ambulance services

Public hospitals, not-for-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, not-for-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, not-for-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, not-for-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](#).

Our example of a [public hospital return](#) may help with these items.

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

If part of your organisation is endorsed by us as a registered public benevolent institution (PBI) to access the FBT exemption (PBI employer) and the rest of the organisation is endorsed by us as a registered charity to access the FBT rebate (rebatable employer), you must lodge FBT returns as follows:

- If the total grossed-up value of certain benefits provided to the employees of the PBI 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 PBI employer, by following the below instructions.

To apply this approach to the return for the public benevolent institution the organisation operates, they must have:

- been endorsed by us on or before 2 December 2012
- had a separate registration with the ACNC on or after 3 December 2012.

How to lodge your FBT return has 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 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 2022) 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 [2022 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.

Our worked example of a [not-for-profit organisation operating partly as an eligible public benevolent institution](#) may help you complete these items.

Next steps

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

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Item 23 Fringe benefit categories

Last updated 14 April 2022

On this page

[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
\(show totals including exempt components\)](#)

[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.

Our Fringe benefits tax guide for employers may help you complete this item.

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.

You must use the statutory formula method unless you elect to use the operating cost method. However, if you've not kept the required documentation for the operating cost method (such as logbooks), you can't reduce the taxable value for any business use of the car. You can choose whichever method results in the lowest taxable value, regardless of which method you used in a previous year.

Determining the statutory percentage

You can reduce the base value of a car by one-third for the year ending 31 March 2022 if you owned or leased the car in the year ending 31 March 2017. 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*.

How to complete item 23A

Number

- Write the number of cars you used to provide the car fringe benefits using the statutory formula method.
- Don't write the total number of car fringe benefits provided.

Gross taxable value (a)

- Write the sum of the gross taxable values of the car fringe benefits calculated using the statutory formula method, before any reductions (for example, employee contributions).
- Show the amounts before any gross-up calculation. Don't use grossed-up amounts.
- Use GST-inclusive amounts where applicable.
- If there are no employee contributions, copy the gross taxable value figure to the far right-hand column (Taxable value of benefits (a) – (b) – (c)).

Employee contribution (b)

- Write the sum of all employee contributions made toward car fringe benefits provided where the statutory formula method has been used.
- 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.
- Don't include employee contributions that will be made after this return has been lodged, unless the contribution is made by journal entry in your accounts.
- Don't use any excess employee contributions for one benefit type to reduce the taxable value of other benefits you provided to that employee or other employees.

Value of reductions (c)

- Leave this field blank.

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

- Write the sum of the taxable values of car fringe benefits provided valued using the statutory formula method – that is (a) – (b).
- If the total of the employee contributions received are greater than the gross taxable value of benefits provided, show zero here. Don't show a negative number.

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

On 12 June 2021 you agreed to provide an employee with a car fringe benefit. The car was delivered on 1 July 2021 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) = 4,804.

 Extract of Item 23 of 2022 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

You must use the statutory formula method unless you elect to use the operating cost method. However, if you've not kept the required documentation for the operating cost method (such as logbooks), you can't reduce the taxable value for any business use of the car. You can choose whichever method results in the lowest taxable value, regardless of which method you used in a previous year.

How to complete item 23B

Number

- Write the number of cars you used to provide the car fringe benefits using the operating cost method.
- Don't write the total number of car fringe benefits provided.

Gross taxable value (a)

- Write the sum of the gross taxable values of the car fringe benefits calculated using the operating cost method, before any reductions (for example, employee contributions).
- Show the amounts before any gross-up calculation. Don't use grossed-up amounts.
- Use GST-inclusive amounts where applicable.
- If there are no employee contributions, copy the gross taxable value figure to the far right-hand column (Taxable value of benefits (a) – (b) – (c)).

Employee contributions (b)

- Write the sum of all employee contributions made toward car fringe benefits provided where the operating cost method has been used.
- 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.
- Don't include employee contributions that will be made after this return has been lodged, unless the contribution is made by journal entry in your accounts.
- Don't use any excess employee contributions for one benefit type to reduce the taxable value of other benefits you provided to that employee or other employees.

Value of reductions (c)

- Leave this field blank – it should not be completed.

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

- Write the sum of the taxable values of car fringe benefits provided valued using the operating cost method. That is (a) – (b).
- If the total of the employee contributions received are greater than the gross taxable value of benefits provided, show zero here.

- If the amount at employee contributions (b) is greater than the gross taxable value (a), show zero. Don't show a negative number.

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 2022. 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 2022 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).

How to complete item 23C

Number

- Write the number of loans you made that gave rise to taxable fringe benefits.
- Don't write the total number of loan fringe benefits provided.

Gross taxable value (a)

- Write the sum of the gross taxable values of the loan fringe benefits, before any reductions (for example, because of the otherwise deductible rule).
- Show the amounts before any gross-up calculation. Don't use grossed-up amounts.
- If there are no reductions, copy the gross taxable value figure to the far right hand column (Taxable value of benefits (a) – (b) – (c)).

Employee contributions (b)

- Leave this field blank – it should not be completed.

Value of reductions (c)

- Write at (c) the total amount of reductions in the taxable value of loan fringe benefits provided. The taxable value may have been reduced under the otherwise deductible rule.
- Don't use the otherwise deductible rule unless both of the following apply:
 - the recipients of the benefits are current employees
 - you obtain from employees, before your return is due or by 23 May 2022, any supporting documents (for example, employee declaration).

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

- Write the sum of the taxable values of loan fringe benefits provided. That is, (a) – (c).
- If the total of the reductions (c) are greater than the gross taxable value of benefits provided (a), show zero here. Don't show a negative number.

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 2021 is:

- $\$20,000 \times 4.52\% = \904 .

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

- Number – 1
- Gross taxable value (a) – 904
- Employee contribution (b) – leave blank
- Value of reductions (c) – 0
- Taxable value of benefits is (a) – (b) – (c) = 904.

 Extract of Item 23 of 2022 FBT return: • 23C Loans granted • Number is 1 • Gross taxable value (a) is \$904 • Employee contribution (b) is blank • Value of reductions (c) is \$0 • Taxable value of benefits is (a) – (b) – (c) is \$904

You can use the **fringe benefits tax rates and thresholds** for the statutory or benchmark interest rates to calculate the taxable value.

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.

How to complete item 23D

Number

- Leave this field blank – it should not be completed.

Gross taxable value (a)

- Write the sum of the gross taxable values of the debt waiver fringe benefits. That is, the amount of debt that you waived.

- Show the amounts before any gross-up calculation. Don't use grossed-up amounts.
- There are no employee contributions or reductions, so copy the gross taxable value figure to the far right-hand column (Taxable value of benefits (a) – (b) – (c)).
- Don't include amounts that you write off as a genuine bad debt. A debt owed by an employee that you write-off as a genuine bad debt is not a debt waiver fringe benefit.

Employee contributions (b)

- Leave this field blank – it should not be completed.

Value of reductions (c)

- Leave this field blank because it should not be completed. There are no other reductions that can apply in respect of debt waiver fringe benefits.

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

- Write the same figure that was written at 'Gross taxable value (a)' in this column. Don't input a different figure.

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 2022 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.

How to complete item 23E

Number

- Leave this field blank – it should not be completed.

Gross taxable value (a)

- Write the sum of the gross taxable values of the expense payment fringe benefits before any reductions (for example, the otherwise deductible rule).
- Show the amounts before any gross-up calculation. Don't show grossed-up amounts.
- Use GST inclusive amounts where applicable.
- If there are no employee contributions or reductions, copy the gross taxable value figure to the far right-hand column (Taxable value of benefits (a) – (b) – (c)).

Employee contributions (b)

- Write the sum of all employee contributions made toward expense payment fringe benefits provided.
- Don't include employee contributions that will be made after this return has been lodged, unless the contribution is made by journal entry in your accounts.

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

Value of reductions (c)

- Write at (c) the total amount of reductions in the taxable value of expense payment fringe benefits provided. The taxable value may have been reduced:
 - under the otherwise deductible rule
 - by other means (for example, in relation to in-house 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, before your return is due or by 23 May 2022, any supporting documents (for example, employee declaration).

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

- Write the sum of the taxable values expense payment fringe benefits provided. That is (a) – (b) – (c).
- If the total of the employee contributions (b) and reductions (c) are greater than the gross taxable value of benefits provided (a), show zero here. Don't write a negative number.

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 2022. On 31 March 2022, 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 2022 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.

How to complete Label 23F

Number

- Write the number of units of accommodation used to provide the housing fringe benefits. Don't write the total number of housing fringe benefits provided.
- Don't include housing benefits provided in a remote area that are exempt from FBT. Exempt benefits are not included on the FBT return.
- Don't include other accommodation provided that does not meet the requirements of a housing fringe benefit. Providing this type of accommodation is a residual fringe benefit and is shown at 'M Other benefits (residual)'.

Gross taxable value (a)

- Write the sum of the taxable values of the expense payment fringe benefits before any employee contributions.
- Show the amounts before any gross-up calculation. Don't show grossed-up amounts.
- If there are no employee contributions, copy the gross taxable value figure to the far right-hand column (Taxable value of benefits (a) – (b) – (c)).

Employee contributions (b)

- Write the sum of all employee contributions made toward housing fringe benefits provided.
- Don't include employee contributions that will be made after this return has been lodged, unless the contribution is made by journal entry in your accounts.
- Don't use any excess employee contributions for one benefit type to reduce the taxable value of other benefits you provided to that employee or other employees.

Value of reductions (c)

- Leave this field blank – don't write anything in this field.

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

- Write the sum of the taxable values of housing fringe benefits provided. That is (a) – (b).
- If the total of the employee contributions (b) are greater than the gross taxable value of benefits provided (a), show zero here. Don't write a negative number.

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 2022. 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 2022 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 totals 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 of employment require them to live away from their normal residence.

How to complete Label 23G

Number

- Write the number of employees who received a living-away-from-home allowance. Don't write the total number of living-away-from-home allowance fringe benefits provided.

Gross taxable value (a)

- Write the sum of the taxable values of the living-away-from-home allowance fringe benefits before any reductions.

- The total amounts shown should include the exempt accommodation component, exempt food component 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.
- The amounts shown should be the amounts before any gross-up calculation. Don't use grossed-up amounts.
- If there are no reductions, include the gross taxable value figure (a) in the 'Taxable value of benefits (a) – (b) – (c)' column.

Employee contributions (b)

- Leave this column blank. Employee contributions can't be provided in respect of a living-away-from-home allowance fringe benefit under the FBT law.

Value of reductions (c)

- Write at (c) the total amount of reductions in the taxable value of living-away-from-home allowance fringe benefits. The exempt accommodation and exempt food components should be included at (c).
- Don't include at (c) any exempt accommodation and exempt food components more than the Commissioner of Taxation's reasonable amount unless you have the necessary documentary evidence or declaration of employee expenses and the **declaration about living away from home**. You can find reasonable food and drink amounts in our FBT rates and thresholds.

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

- Write the sum of the taxable values of living-away-from-home allowance fringe benefits provided. That is (a) – (c).
- If the total of the reductions (c) are greater than the gross taxable value of benefits provided (a), show zero here. Don't show a negative number.

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 2022. They receive \$591 per week (\$30,732 for the year) as a living-away-from-home allowance. Their duties of employment require them to live away from their normal residence.

Their allowance 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. 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. They declare they have spent no more than the Commissioner's reasonable food amount and, therefore, are not required to substantiate their expenditure. They provide you with a living away from home declaration – employee who maintains an Australian home – on 20 April 2022.


The employee started living at this location in January 2021. 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 2021. 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 2022 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.

How to complete Label 23J

Number

- Leave this field blank – it should not be completed.

Gross taxable value (a)

- Write the sum of the gross taxable values of the board fringe benefits provided.
- The amounts shown should be amounts before any gross-up calculation. Don't use grossed-up amounts.
- Include board meals provided where you contract an employee's services to another person who provides the employee with board

meals on their premises. The meals in this case are board fringe benefits and you still have the FBT liability.

- If there are no employee contributions (b) or reductions (c), write the gross taxable value figure (a) in the 'Taxable value of benefits (a) – (b) – (c)' column.
- Don't include board meals provided to an employee in a primary production business located in a remote area. These are exempt benefits and are not included in the FBT return.
- 'Don't include at this item:
 - meals provided at a party, reception or other social function
 - meals provided in a dining facility open to the public (except for board meals provided to employees of a restaurant, motel, hotel, etc)
 - meals provided in a facility mainly used by a particular employee.

These aren't board fringe benefits. However, they may be property fringe benefits, tax-exempt body entertainment fringe benefits, or meal entertainment fringe benefits.

Employee contributions (b)

- Write the sum of all employee contributions made toward board fringe benefits provided.
- Don't include employee contributions that will be made after this return has been lodged, unless the contribution is made by journal entry in your accounts.
- Don't use any excess employee contributions for one benefit type to reduce the taxable value of other benefits you provided to that employee or other employees.

Value of reductions (c)

Write the sum of all reductions that apply to board fringe benefits provided.

The taxable value of the board fringe benefit is reduced to nil if both of the following apply:

- you provide a board fringe benefit to an employee

- they would have been entitled to an income tax deduction if they had paid for the meal.

Don't apply the 'otherwise deductible rule' unless both of the following apply:

- the recipients of the benefits are current employees
- you obtain from employees, before your return is due or by the 23 May 2022, any supporting documents (for example, employee declaration).

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


- Write the sum of the taxable values of board fringe benefits provided. That is (a) – (b) – (c).
- If the total of the employee contributions (b) and reductions (c) are greater than the gross taxable value of benefits provided (a), show zero here. Don't show a negative value.

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 2022. You don't require your employees to make a contribution towards their board meals and their accommodation. They 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 2022 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.

How to complete Label 23K

Number

- Leave this field blank – it should not be completed.

Gross taxable value (a)

- Write the sum of the gross taxable values of the property fringe benefits.
- The amounts shown should be amounts before any gross-up calculations. Don't use grossed-up amounts.
- Use GST-inclusive amounts where applicable.
- If there are no employee contributions (b) or reductions (c), copy the gross taxable value figure (a) to the 'Taxable value of benefits (a) – (b) – (c)' column.

Employee contributions (b)

- Write the sum of all employee contributions made toward property fringe benefits provided.
- Don't include employee contributions that will be made after this return has been lodged, unless the contribution is made by journal entry in your accounts.
- Don't use any excess employee contributions for one benefit type to reduce the taxable value of other benefits you provided to that employee or other employees.

Value of reductions (c)

- Write at (c) the total amount of reductions in the taxable value of property fringe benefits provided. The taxable value may 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, before your return is due or by the 23 May 2022, any supporting documents (for example, employee declarations, receipts or invoices).

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

- Write the sum of the taxable values of property fringe benefits provided. That is (a) – (b) – (c).
- If the total of the employee contributions (b) and reductions (c) are greater than the gross taxable value of benefits provided (a), show zero here. Don't write a negative number.

Example 14: Taxable value of property fringe benefits

You are an electrical retailer. You provide to an employee a television you sell to the public for \$2,000, and an air conditioner you sell to the public for \$1,600, during the year ending 31 March 2022. These prices are the lowest selling price including GST. Your employee pays a total of \$300 for these items and does 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 2022 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 any of the following apply:

- you are wholly exempt from income tax – for example, an endorsed charity or a sports club whose ordinary and statutory income is exempt
- you did not get assessable income from the activities to which the entertainment relates – for example, you are a taxable club that receives both assessable income and non-assessable non-exempt income and the entertainment relates only to activities in receiving your non-assessable non-exempt income.

How to complete Label 23L

Number

- Leave this column blank – it should not be completed.

Gross taxable value (a)

- Write the sum of the gross taxable values of the tax-exempt body entertainment fringe benefits.
- The amounts shown should be amounts before any gross-up calculation. Don't use grossed-up amounts.

- Use GST-inclusive amounts where applicable.
- Include tax-exempt body entertainment provided under a salary sacrifice arrangement at this item – you can't choose to value it as a meal entertainment fringe benefit.
- Copy the gross taxable value figure to the far right-hand column (Taxable value of benefits (a) – (b) – (c)).
- Don't include meal and entertainment facility leasing expense benefits not provided under a salary sacrifice arrangement at this item if you are a not-for-profit employer, who is eligible for the FBT capping exemption or FBT rebate. These employers do not need to disclose meal and entertainment facility leasing expense benefits not provided under a salary packaging arrangement at item **23**.
- If you have chosen to value food and drink that is tax-exempt body entertainment using the meal entertainment valuation rules, don't include them here. Include these benefits under 'P Meal entertainment'.
- If you are not exempt from income tax and you provided entertainment, don't complete this item. 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.

Employee contributions (b)

Leave this field blank. Employee contributions can't be provided in respect of a tax-exempt body fringe benefit under FBT law.

Value of reductions (c)

- Leave this field blank. There are no reductions in respect of tax-exempt body entertainment fringe benefits under FBT law.

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

- Write the same figure as at 'Gross taxable value (a)' in this column. Don't use a different figure.


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 2022 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**.

How to complete Label 23M

Number

- Leave this field blank – it should not be completed.

Gross taxable value (a)

- Write the sum of the gross taxable values of the residual fringe benefits.

- The amounts shown should be amounts before any gross-up calculation. Don't use grossed-up amounts.
- Use GST-inclusive amounts where applicable.
- If you choose to value entertainment facility leasing expense benefits not provided under a salary packaging arrangement under the 50-50 method, you must include the value of these benefits at this item.
- If there are no employee contributions (b) or reductions (c), copy the gross taxable value figure (a) to the 'Taxable value of benefits (a) – (b) – (c)' column.

Employee contributions (b)

- Write the sum of all employee contributions made for residual fringe benefits.
- Don't include employee contributions that will be made after this return has been lodged, unless the contribution is made by journal entry in your accounts.
- Don't use any excess employee contributions for one benefit type to reduce the taxable value of other benefits you provided to that employee or other employees.

Value of reductions (c)

- Write at (c) the total amount of reductions in the taxable value of residual fringe benefits provided. The taxable value may have been reduced:
 - under the otherwise deductible rule
 - by other means – for example, in relation to in-house fringe benefits.
- Don't reduce the value using the otherwise deductible rule unless both of the following apply:
 - the recipients of the benefits are current employees
 - you obtain from employees, before your return is due or by 23 May 2022, any supporting documents (for example, employee declarations, receipts or invoices).

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

- Write the sum of the taxable values of the residual fringe benefits provided. That is (a) – (b) – (c). If the total of the employee contributions (b) and reductions (c) are greater than the gross taxable value of benefits provided (a), show zero here. Don't write a negative number here.

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 2022. Your employee uses the utility for both business and private purposes. On 1 May 2022 your employee provides you with a declaration stating that they used the utility 25% of the time for private purposes. They have 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 2022 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.

How to complete Label 23N

Number

- Leave this field blank – it should not be completed.

Gross taxable value (a)

- Write the sum of the gross taxable values of the car parking fringe benefits.
- The amounts shown should be amounts before any gross-up calculation. Don't use grossed-up amounts.
- Use GST-inclusive amounts where applicable.
- If there are no employee contributions (b) copy the gross taxable value figure (a) to the 'Taxable value of benefits (a) – (b) – (c)' column.

Employee contributions (b)

- Write the sum of all employee contributions made for car parking fringe benefits.
- Don't include employee contributions that will be made after this return has been lodged, unless the contribution is made by journal entry in your accounts.
- Don't use any excess employee contributions for one benefit type to reduce the taxable value of other benefits you provided to that employee or other employees.

Value of reductions (c)

- Leave this field blank. There are no reductions that can apply for car parking fringe benefits.

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

- Write the sum of the taxable values of the car parking fringe benefits provided. That is (a) – (b).
- If the total of the employee contributions (b) is greater than the gross taxable value of benefits provided (a), show zero here. Don't

show a negative number.

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 2022.

Your employees use the parking spaces for more than four hours during the working day. There are several commercial parking stations within a kilometre charging more than \$9.25 a day on 1 April 2021.

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 2022 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.

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 2022 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.

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 23 May 2022 unless we have allowed you to lodge later.

How to complete Label 23P

Number

- Leave this field blank – it should not be completed.

Gross taxable value (a)

- Write the sum of the gross taxable values of the meal entertainment fringe benefits. The FBT guide for employers further explains **entertainment fringe benefits** (chapter 14).
- The amounts shown should be amounts before any gross-up calculation. Don't use grossed-up amounts.
- Use GST-inclusive amounts where applicable.
- Copy the gross taxable value figure (a) to the 'Taxable value of benefits (a) – (b) – (c)' column.
- Don't include meal entertainment benefits not provided under a salary sacrifice arrangement at this item if you are a not-for-profit employer, who is eligible for the FBT capping exemption or FBT rebate. These employers 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.

- Don't include entertainment provided under a salary sacrifice arrangement at this item because you can't make the meal entertainment election in this case. The benefits will need to be valued as tax-exempt body, expense payment, property or residual benefits depending on how the benefit was provided.

Employee contributions (b)

- Leave this field blank. Employee contributions can't be provided as a meal entertainment fringe benefit under the FBT law.

Value of reductions (c)

- Leave this field blank. There are no reductions for meal entertainment fringe benefits under the FBT law.

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

- Write the same figure that was written at 'Gross taxable value (a)' in this column. Don't input a different figure.

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 2022. You elect on 1 April 2022 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 2022 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 2022 FBT return – all employers](#)
- [Keeping records for FBT](#)

QC 68144

Keeping records for FBT

Last updated 14 April 2022

For FBT record keeping purposes, you must keep the following for five years:

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

You don't 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 23 May 2022 unless we have allowed you to lodge your FBT return later.

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 \$8,923 for the year ending 31 March 2022.

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 2022.
- We have not issued you a notice requiring you to resume record keeping in the year ending 31 March 2021.
- 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 2022 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 2022, 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 2022, 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.

Next step

- [Calculation rates](#)

QC 68144

Calculation rates

Last updated 14 April 2022

For the calculation rates for the FBT year 1 April 2021 – 31 March 2022, 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 of Taxation for the year ending 31 March 2022 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 2021 – 31 March 2022	Rate for the income year 1 July 2021 – 30 June 2022 is 72 cents.

You may also wish to refer to our [car expenses and cents per kilometre method](#) pages.

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

Last updated 14 April 2022

On this page

[Rebatable employer return – worked example](#)

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

[Public hospital return – worked example](#)

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

The following worked example shows how to complete a:

- [Rebatable employer return](#)
- [Public benevolent institution return](#)
- [Public hospital return](#)
- [Not-for-profit organisation operating partly as an eligible public benevolent institution](#) – that was endorsed by us on or before 2 December 2012 and registered with the Australian Charities and Not-for-profits Commission (ACNC) on or after 3 December 2012.

Rebatable employer return – worked example

You provide the following benefits for the year ending 31 March 2022 to your employees:

- you pay Mark, Sam and eight other employees' children's school fees (an expense payment fringe benefit)
- you provide Mark and Sam with cars for private use (a car fringe benefit)
- you 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 (that is, 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:

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

The calculation of the rebate amount is:

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

Completing your FBT return


You would complete your FBT return as follows:

- item **14A** – $\$29,000 \times 2.0802 = \$60,325$
- item **14B** – $(\$60,000 + \$7,795) \times 1.8868 = \$67,795 \times 1.8868 = \$127,915$
- item **14C** – is left blank
- item **15** – items **14A** + **14B** = $\$60,325 + \$127,915 = \$188,240$
- item **16** – $47\% \times \$188,240 = \$88,472.80$
- item **17** – the aggregate non-rebatable amount = $\$13,322.05$
- item **18** – 47% of (item **16** – item **17**) = $47\% \times (\$88,472.80 - \$13,322.05) = \$35,320.85$
- item **19** – (item **16** amount – item **18** amount) = $(\$88,472.80 - \$35,320.85) = \$53,151.95$

- item **20** – \$16,000
- item **21** – \$37,151.95
- item **22** – is left blank
- item **23** – as in the following table.

Item 23 example – details of fringe benefits provided for re

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	n/a	60,000	
Income tax exempt body – entertainment	L	n/a	7,795	r

 **Extract of Items 14 to 23 of 2022 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/FBT2022 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/FBT2022 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/FBT2022 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.

You are a public benevolent institution that is registered for GST. You 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** – \$22,005
- item **15** – \$22,005
- item **16** – $\$22,005 \times 0.47 = \$10,342.35$
- items **17** and **18** – are left blank
- item **19** – \$10,342.35
- item **20** – \$16,000
- item **21** – is left blank
- item **22** – \$5,657.65
- item **23** – as in the following table.

Item 23 example – details of fringe benefits provided for private employer 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	L	n/a	5,000	r

- entertainment			
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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 2022 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/FBT2022 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/FBT2022 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/FBT2022 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.

Public hospital return – worked example

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** – \$35,005
- item **15** – \$35,005

- item **16** – $\$35,005 \times 0.47 = \$16,452.35$
- items **17** and **18** – are left blank
- item **19** – $\$16,452.35$
- item **20** – $\$16,000$
- item **21** – $(\$16,000 - \$16,452.35) - \$452.35$
- item **22** – is left blank
- item **23** – as in the following table.

Item 23 example – details of fringe benefits provided for personal return

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	n/a	5,000	r

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 2022 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/FBT2022 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/FBT2022 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/FBT2022 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.

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

You are a not-for-profit organisation, part of which was endorsed by us on or before 2 December 2012 and registered with the ACNC on or after 3 December 2012. You are eligible for FBT exemption and the rest of the organisation is eligible for the FBT rebate. 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 2022 made up of:

- \$105,000 type 1 car fringe benefits valued using the statutory formula method (type 1 aggregate amount of $\$50,476 \times 2.0802$)
- \$33,000 type 2 expense payment benefits (type 2 aggregate amount of $\$17,490 \times 1.8868$)

- 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** – $\$50,476 \times 2.0802 = \$105,000$
- item **14B** – $\$17,490 \times 1.8868 = \$33,000$
- item **14C** – \$12,000
- item **15** – $(\$105,000 + \$33,000 + \$12,000) = \$150,000$
- item **16** – 47% of \$150,000 = \$70,500
- item **17** – \$22,090
- item **18** – \$22,752.70
- item **19** – $(\$70,500 - \$22,752.70) = \$47,747.30$
- item **20** – \$16,000

- item **21** – $(\$47,747.30 - \$16,000) = \$31,747.30$
- item **22** – is left blank
- item **23** – as in the following table.

Item 23 example – details of fringe benefits provided for not 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	n/a	17,490	0
Other benefits (residual)	M	n/a	42,000	0

 Extract of Items 14 to 23 of 2022 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% 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/FBT2022 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/FBT2022 for more information) is 47% 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/FBT2022 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.

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