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FBT registration, lodgment, payment and reporting

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Registering for FBT

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What attracts our attention

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Reportable fringe benefits

Work out which fringe benefits to report in employees' income information, and calculate the reportable amount.

QC 71173

Registering for FBT

Find out if you need to register for FBT and how to register.

Last updated 12 January 2023

If you have to pay fringe benefits tax (FBT), you must register for FBT and lodge an FBT return.

If you're not already registered, you can register:

- by lodging your annual FBT return
- online, if you already have an Australian business number (ABN) – use the Australian Government Business Registration Service
- by phone on the business enquiries line – you must be an authorised contact for the business
- through your registered tax agent
- by completing the paper form Application to register for fringe benefits tax.

QC 71174

Record keeping for FBT

Check which records to keep for fringe benefits tax (FBT) purposes and how long to keep them.

Last updated 26 March 2024

Records you need

You must keep records that:

- show how you calculated the taxable value of benefits
- support any fringe benefits tax (FBT) exemptions or concessions you used.

Examples of these records include:

- calculations
- worksheets
- employee declarations
- elections
- invoices
- receipts
- bills of sale
- lease documents
- travel diaries
- logbooks
- odometer records.

For entertainment-related benefits, you should keep records of the following:

- the date you provided the entertainment
- who received the entertainment (an employee, associate of the employee or another person)
- the cost of the entertainment
- the kind of entertainment provided
- where the entertainment was provided.

All records should be written in English. If your records are stored electronically, they must be in a format that is readily accessible.

You don't need to submit these records with your FBT return.

For more information about records to keep for specific types of fringe benefits, such as cars and living-away-from-home allowance, see FBT Guide: 4 Fringe benefits tax record-keeping.

Records to obtain from employees

Some exemptions and concessions require you to obtain records from your employees. This includes:

- declarations
- invoices and receipts
- bills of sale
- lease documents
- travel diaries
- copies of logbooks and odometer records.

FBT alternative record keeping option

From 1 April 2024 (the FBT year ending 31 March 2025), you will have a choice, for certain benefits, to use existing business records in place of some employee declarations. This alternative record keeping option will only apply if the Commissioner has made a determination by legislative instrument which sets out the information required in the alternative records.

Record keeping exemption arrangements

You may be eligible to calculate your FBT liability based on the total taxable value of fringe benefits you provided in an earlier base year. You must have kept full FBT records in the base year.

If you use this arrangement, you won't need to keep full FBT records for a particular FBT year. However, you may still be required to report the value of fringe benefits in your employees' payment summaries or through Single Touch Payroll.

To check if you are eligible to use the record keeping exemption arrangement, and find out how it works, see Guide to FBT: 4.7 Record keeping exemption arrangements.

How long to keep records

Keep your FBT records for 5 years from the date you lodge your FBT return.

- If you don't have to lodge a return, keep your records for 5 years from the due date for lodgment of FBT returns (21 May).

Fringe benefits tax alternative record keeping

Information about alternative record keeping options for travel diaries and employee declarations for certain benefits.

QC 71176

Fringe benefits tax alternative record keeping

Information about alternative record keeping options for travel diaries and employee declarations for certain benefits.

Published 26 March 2024

Overview

From 1 April 2024, for certain benefits for a fringe benefits tax (FBT) year, you can choose to:

- rely on alternative records (as determined by the Commissioner by legislative instrument)
- keep and retain the records in the current approved form – a travel diary or some employee declarations for FBT record keeping

purposes

- use a combination of both methods for each employee for each benefit.

Where you choose to use the alternative records option, you must have the minimum information required at the time of lodging your FBT return for the FBT year (or by the 21 May if you do not have to lodge a return). The Commissioner will accept these records as a substitute for a travel diary or certain employee declarations.

There is no limit on the number of records that may, together, meet the information requirements.

The option to use alternative records is available on a benefit-by-benefit basis.

An employer may choose to use alternative records for some benefits of one type, even if they choose to rely on records in the approved form for other benefits of that same type.

Using the alternative records method doesn't change what information you need to hold to support your FBT return under the FBT law. It changes the prescriptive format and process for obtaining and holding that information.

- The minimum information required is listed below in the corresponding legislative instruments that deal with travel diaries and some employee declarations.
- Each legislative instrument is accompanied by an explanatory statement which provides a plain English explanation of the instrument, including examples, and other information required by law.

Records where there's an alternative record keeping option

An alternative record option is available from 1 April 2024 onwards for the following records:

- **Travel diary**
  - see legislative instrument and explanatory statement
- **Living-away-from-home-allowance – FIFO/DIDO declaration**

  - see legislative instrument and explanatory statement
- **Living-away-from-home – maintaining an Australian home declaration**
  - see legislative instrument and explanatory statement
- **Otherwise deductible rule – expense payment, property or residual benefit declaration**
  - see legislative instrument and explanatory statement
- **Otherwise deductible rule – private use of a vehicle other than a car declaration**
  - see legislative instrument and explanatory statement
- **Car travel to an employment interview or selection test declaration**
  - see legislative instrument and explanatory statement
- **Remote area holiday transport declaration**
  - see legislative instrument and explanatory statement
- **Overseas employment holiday transport declaration**
  - see legislative instrument and explanatory statement
- **Car travel to certain work-related activities declaration**
  - see legislative instrument and explanatory statement
- **Relocation transport declaration**
  - see legislative instrument and explanatory statement
- **Temporary accommodation relating to relocation declaration**
  - see legislative instrument and explanatory statement

You can continue to use the current approved forms or records for these fringe benefits. See Travel diary or Employee declarations.

Eligibility to use alternative records

To use the alternative records option:

- check if a legislative instrument has been made by the Commissioner for the benefit you are providing. If not, you will need to use the current approved form for the travel diary or employee declaration
- check whether you have, or can get, the information required which is set out in the legislative instrument and explanatory statement. If not, you will need to use the current approved form for the travel diary or employee declaration
- if you have, or can get, the information required, you will need to ensure you have all the information required by the due date for lodgment of your FBT return (or the 21 May if you don't have to lodge a return). If not, you will need to use the current approved form for the travel diary or employee declaration.

An alternative record keeping option isn't available for all fringe benefits or all situations where fringe benefits may be provided.

For some records, like some declarations or logbooks and odometer records, employers will need to continue to meet their record keeping obligations by having the record in the approved form.

You don't need to let us know if you're using the alternative record keeping option – your business records will show this.

Types of alternative records

You can use multiple different alternative records and in different forms.

When looked at together, if the multiple different records used have the minimum information required in the legislative instrument, the alternative record requirements will be met.

For example, records can be stored electronically or in paper form, and the information required could be contained in various types of documents such as employment contracts, payroll records, job descriptions, employer and employee correspondence (for example emails or text messages), logbooks, employer policies, hotel receipts, employee itineraries, conference programs and calculations of private travel.

Examples using the alternative records keeping option

Example: alternative records instead of a travel diary

Employer A Ltd sends their employee, Sam, overseas for 2 weeks to attend meetings with a client. All of Sam's trip is for work purposes.

Employer A Ltd reimburses Sam for her flights and accommodation which have been booked in Sam's name. These are expense payment fringe benefits, and the otherwise deductible rule can apply to reduce the taxable value of the benefit.

Sam keeps a work calendar on her work computer to schedule and record her appointments and activities. All her planned flights and business meetings for her overseas trip are put into the calendar in advance and she updates her calendar if there are unplanned changes to her schedule at the time of the change or shortly after.

Sam applies to have her flights and accommodation reimbursed and sends her employer's payroll area a copy of her work calendar for the period of her travel.

Because Sam's travel is for more than 5 consecutive nights, Employer A Ltd would need to get a travel diary to apply the otherwise deductible rule. Employer A checks and sees that a determination has been made by the Commissioner for travel diaries. They then look at the legislative instrument and explanatory statement and see that Sam's work calendar has all the information required by the legislative instrument.

Employer A chooses to use the alternative record keeping option – a copy of Sam's work calendar is kept in Employer A Ltd's business records instead of obtaining a travel diary from Sam.

Example: otherwise deductible rule – business records instead of a declaration

B Co Ltd owns a mobile phone which they loan to their office manager, Steve.

Steve is allowed to use the phone for both personal and work-related purposes. There are no restrictions on the amount of personal use of the phone and B Co Ltd pays the mobile phone bills each month.

At the end of the FBT year, Steve emails his manager and describes the purpose of his phone use and the percentage of phone usage Steve has calculated that was work-related.

Providing Steve with the use of a mobile phone is a residual fringe benefit and the otherwise deductible rule can apply to reduce the taxable value of the benefit.

B Co Ltd checks and sees that a determination has been made by the Commissioner for the otherwise deductible rule for residual fringe benefits. They then look at the legislative instrument and explanatory statement to see the information required by the legislative instrument.

B Co Ltd chooses to use the alternative record keeping option instead of obtaining an employee declaration from Steve. The emails between B Co Ltd and Steve and copies of the mobile phone bills have, when looked at together, the minimum information required by the determination.

Example: living-away-from-home allowance – employees maintain Australian home – business records instead of an employee declaration

Vanessa is a teacher who agrees to teach at Primary School in Cairns for 3 months. This is the first time she has taught in Cairns.

Vanessa rents a home in Cairns for 3 months. Her husband continues to live at their family home in Brisbane during this time.

Vanessa's employer, Primary School, pays her a living-away-from-home allowance (LAFHA). Vanessa must apply through Primary School's payroll system to have the allowance paid.

When Vanessa applies for the LAFHA, Primary School's payroll system asks her to confirm that:

- she is living away from a home in Australia that she or her spouse own or lease
- the home is available for Vanessa's immediate use
- she intends to go back to living at the home once her employment duties no longer require her to live away from it.

Vanessa is also asked to give the address where she will be living while working for Primary School, and her home address in Brisbane that she is living away from. Vanessa is required under her employment contract to let Primary School know if there are any changes to these addresses.

Primary School pays Vanessa a LAFHA to compensate her for additional expenses and other disadvantages suffered, because her employment duties required her to live away from her home in Brisbane.

Primary School checks, and the alternative record keeping option is available instead of getting an employee declaration from Vanessa about maintaining an Australian home. The payroll records, LAFHA application in the payroll system and contract of employment, when looked at together, have the minimum information required by the determination.

QC 101342

Employee declarations

Why, when and how to get an employee declaration, and how long to keep it in your records.

Last updated 26 March 2024

Why you would need an employee declaration

When you use a fringe benefits tax (FBT) concession, you may need to get an employee declaration to show that you were entitled to the concession.

An employee declaration is a written statement from your employee containing information about their circumstances relating to the fringe benefits they have received (for example, that they are entitled to an income tax deduction).

You keep the declaration with your business records. For some benefits, you may have the choice to rely on business records instead of getting an employee declaration.

Example: substantiating FBT concession with employee declaration

Meghan is a real estate agent. Her employer, AbRealty, reimburses Meghan for the full cost of her home internet service.

Meghan estimates that 40% of her home internet usage is work related. She gives her employer an employee declaration – in this case, a *Recurring expense payment fringe benefit declaration*. In the declaration she states that 40% of the cost of her home internet service would be income tax deductible for her, if she had paid for it.

AbRealty:

- uses the 'otherwise deductible' rule to reduce the taxable value of the fringe benefit by 40%
- keeps the employee declaration with its business records to substantiate the reduction in FBT.

Getting employee declarations

You must obtain all employee declarations by the time your FBT return is due to be lodged. If you don't have to lodge a return, you must have the declarations by **21 May**.

Ask your employees to complete the appropriate form from the list of approved employee declaration forms.

You can also accept employee declarations electronically, with the employee's electronic signature. An electronic declaration provided through a secure email or payroll system (that requires the employee to sign in with a password) is acceptable.

For more information about electronic declarations see FBT Guide: 4.9 Electronic declarations.

How long to keep employee declarations

Keep employee declarations with your business records for 5 years.

You don't need to send employee declarations to us.

FBT alternative record keeping option

From 1 April 2024 (the FBT year ending 31 March 2025), you will have a choice, for certain benefits, to use existing business records in place of some employee declarations. This alternative record keeping option will only apply if the Commissioner has made a determination by legislative instrument which sets out the information required in the alternative records.

QC 71177

Lodging your FBT return and paying

How to lodge an FBT return, the due date for lodging and paying, and what to do if you pay by quarterly instalments.

Last updated 10 September 2026

Do you need to lodge a return?

You must lodge a fringe benefits tax (FBT) return if, for the FBT year (1 April to 31 March), you either:

- have FBT payable on fringe benefits you provided to your employees
- paid FBT instalments through your activity statements.

If you paid FBT instalments and are owed a refund, you will receive your refund after you lodge your return.

If you don't need to lodge a return

If you're registered for FBT but don't need to lodge a return, send us a Fringe benefits tax – notice of non-lodgment (NAT 3094) to prevent us seeking a return from you at a later date. Send your notice by the time your return would normally be due.

Paying FBT instalments through activity statements

If you have to pay FBT of $3,000 or more for the year, in the next year you must pay quarterly FBT instalments.

We will send you an activity statement each quarter. Your activity statement will show:

- the due date for lodging and paying your activity statement
- your FBT instalment amount.

When you lodge your annual FBT return, you offset the instalments you've paid during the year against your actual FBT liability. If your instalments are:

- less than your liability, you pay the shortfall
- more than your liability, we refund the excess.

You must lodge all your activity statements for the FBT year ending 31 March, including the March quarter, before lodging your FBT return.

Your FBT return won't be processed until all your activity statements are lodged.

Due date to lodge your return and pay

You must lodge your return and pay the FBT you owe by **21 May**, unless either:

- your tax agent lodges your return electronically – in this case the due date is generally 25 June (you must be an FBT client of the tax agent by 21 May)
- we accept your request for an extension of time.

If the due date falls on a weekend or public holiday, the due date is the next business day.

If you're lodging your FBT return through a tax agent for the first time, contact them before 21 May. The agent needs to add you to their FBT client list by this date to make you eligible for the June lodgment and payment date.

You pay FBT in either:

- one annual payment (if you're not required to pay quarterly instalments)
- quarterly instalments with your activity statements, plus an annual payment of any amount still owing.

Your payments must reach us by the due date to avoid interest and penalties.

Extension of time to lodge or pay

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

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

If you're having difficulty paying on time, contact us before the due date to discuss your circumstances.

State and territory government nominations

State and territory governments can nominate a state or territory body as an employer for FBT purposes. The nominated body then lodges

FBT returns and pays FBT.

The final date for nominations, or to vary or revoke a previous nomination, is **21 May**.

If the final date falls on a weekend or public holiday, the due date is the next business day.

How to lodge your return

You can lodge your FBT return:

- electronically, using Standard Business Reporting (SBR) -enabled software
- through your tax agent
- by posting a paper FBT return to us.

Read our Fringe benefits tax return 2026 instructions.

After you lodge

Most electronic lodgments are processed within 14 days. Most paper lodgments are processed within 50 business days.

If you are due a refund, it will be processed within 28 days.

Prior years

Paper FBT returns and instructions for years before 2026 are available at Forms and instructions.

Correcting a mistake in your FBT return

If you've made a mistake with your FBT return, see how to amend it.

How to pay FBT

To pay your FBT, choose one of the options available at How to pay.

QC 71178

What attracts our attention for FBT

To provide transparency, we publish the main FBT issues that attract our attention, and how we check compliance.

Last updated 26 May 2026

Our approach to FBT compliance

We are committed to reducing non-compliance and increasing participation in the fringe benefits tax (FBT) system by helping employers to get it right and correcting employers who don't.

Helping employers to get it right

The FBT law provides additional responsibilities and obligations on an employer. If employers choose to provide their employees with fringe benefits, we provide several resources to help them get their FBT obligations right. This includes publishing:

- Fringe benefits tax information on our website
- Fringe benefits tax – a guide for employers
- online learning content in Essentials to strengthen your small business

Correcting employers who don't get it right

We analyse data and information reported to us to identify employers who may not be complying.

If we find a concern, we're increasingly reminding employers of their FBT obligations by letter, email or phone call. We give them the opportunity to review their records and voluntarily correct mistakes.

For employers that don't respond or are not willingly participating and voluntarily complying with their FBT obligations, we take firmer action to ensure they pay the correct amount of tax.

What attracts our attention

As an employer, when you choose to provide fringe benefits you will need to correctly:

- identify the type of fringe benefits
- determine the taxable value for each benefit
- keep records to support any claims or calculations you make
- lodge your FBT return and pay on time
- include the reportable fringe benefits amounts in Single Touch Payroll or the employee's payment summary.

We publish information on employer behaviours that currently capture our attention to help you get it right and provide transparency in our approach, including:

- nil lodgment
- employee contributions
- the provision of motor vehicles.

Nil lodgment

We see employers lodging nil returns when they haven't taken the required steps to determine if they have an FBT liability.

Before lodging a nil return, or sending us a Fringe benefits tax – notice of non-lodgment (NAT 3094), it's essential that you have identified whether a benefit has been provided, determined the taxable value and kept the required records for FBT.

You can't simply lodge a nil return by the due date and work out if you have an FBT liability later. Lodging an incorrect return is subject to penalty.

Employee contributions

Employee contributions are one of the main ways employers can reduce their FBT liability.

Situations that concern us include when employers:

- apply an estimated employee contribution with the intention to reduce their FBT liability to nil, but they don't calculate their liability

first

  - you need to identify what type of benefit has been provided and its taxable value by the time your return is due
  - you can't work out the FBT liability later and then apply a matching employee contribution afterwards

- seek to amend past income tax returns, by including employee contributions
  - once you have finalised your financial statements for a financial year, you can't discharge a past year FBT obligation through journal entries
  - we provide clear guidelines in Miscellaneous Taxation Ruling MT 2050: *Fringe benefits tax: payment of recipients contribution by journal entry*

- report employee contributions in their FBT return but don't report the corresponding amount in their income tax return, or reporting at the incorrect label
  - we use a range of data sources, including income tax returns, to check if employers are meeting their FBT obligations
  - incorrect reporting may trigger compliance action.

For more guidance, see FBT guide: 1.7 What are the income tax consequences of providing benefits?

The provision of motor vehicles

We see a significant level of non-compliance involving motor vehicles. Situations that concern us include when employers classify motor vehicles incorrectly, treat private use as business use and don' keep a valid logbook.

Motor vehicles classified incorrectly

There are 3 different types of motor vehicles for FBT purposes:

- cars that are designed to carry fewer than 9 passengers (including the driver) – for example, most sedans, hatchbacks and SUVs
- cars that are **not** designed to carry passengers, but have a goods-carrying capacity of less than 1 tonne – for example, most dual cab

utes

- all other vehicles with higher goods or passenger carrying capacities – for example, 1 tonne utes.

The type of motor vehicle determines the methods that can be used to calculate the FBT and whether certain exemptions can apply, so it's important to get this right.

Private use treated as business use

We regularly see employers incorrectly treating an employee's private use of a motor vehicle as business use.

A simple way to work this out is to ask yourself: if the employee had paid for the costs of using the car, could they have claimed an income tax deduction?

This means that things like home to work trips, going and grabbing your lunch, and picking up the kids up from school are generally all private trips which are subject to FBT.

Logbook errors

Logbooks need to contain enough detail to clearly demonstrate the usage of the car during the logbook period.

The key details to include are:

- dates the journey started and ended
- odometer readings at the start and end of each journey
- kilometres travelled
- purpose of the journey.

Common logbook errors we see include:

- insufficient information about the purpose of the journey – simply saying it was a 'business' journey isn't enough
- co-mingled business and private trips listed as one entry
- discrepancies and inconsistencies – the logbook entries should match the actual travel.

If you are using a logbook, you also need to record odometer records at the start and end of the FBT year.

To make it easy to comply, the ATO app includes myDeductions, a free record keeping tool that includes a log book function.

To find out what you need to do, see FBT on cars, other vehicles, parking and tolls.

Example 1: motor vehicle classified incorrectly

Brock is the owner and sole director of FTE PTY LTD (FTE).

Brock works in the office full-time. He decides to purchase a medium-size SUV through the company, to help with the commute and undertake some business errands.

Brock does some research and reads that FBT does not apply when vehicles are only used for:

- travel between home and work
- travel that is incidental to travel in the course of employment duties
- other private travel is limited to less than 1,000 kms.

Brock does not keep any FBT records.

Based on our data and risk models, we send FTE a letter, advising them to review their FBT obligations regarding the vehicle, otherwise further action will be taken.

Brock wants to ensure FTE is doing the right thing, so he calls us to advise why he believes FBT does not apply to the vehicle.

We advise Brock that the type of motor vehicle determines the method that can be used to calculate the FBT and whether certain exemptions can apply, and the exemption he is referring to only applies to eligible vehicles. It doesn't apply to standard passenger cars.

This means a car fringe benefit has been provided and FBT applies. The home to work travel is private travel, and the other private use is not exempt from FBT.

While Brock indicates that he undertook some business errands, he did not keep a logbook to demonstrate the business use. We provide Brock with information about how to calculate FBT using

the statutory formula method and he agrees to lodge an FBT return for FTE.

Example 2: limited private use of eligible vehicles

BTE is an engineering business. It has a fleet of dual cab utes (with a carrying capacity of less than 1 tonne) and sedans, which its employees use to attend business sites and visit clients.

BTE considers that FBT doesn't apply to the vehicles because the utes are commercial type vehicles and the sedans are only used for business purposes. Therefore, BTE does not lodge an FBT return.

Based on our data and risk models, we select BTE for an FBT car review to check if the business is meeting its FBT obligations.

The review identifies that the sedans remain at the office and the utes are taken home by employees and used for private purposes (such as weekend sport and camping trips).

We advise BTE that the private use of the utes must be limited to be an exempt benefit. (See PCG 2018/3 *Exempt car benefits and exempt residual benefits: compliance approach to determining private use of vehicles.)*

The utes were used for extensive private purposes therefore these conditions have not been met. This means a car fringe benefit has been provided and FBT applies.

We provide BTE with information about how to calculate FBT and the business lodges their outstanding FBT returns.

Correcting an error

If you have made an error on your FBT return, you can amend it or make a voluntary disclosure.

If you need to discuss your circumstances or require advice, you can contact us for tailored technical assistance.

QC 71179

Reportable fringe benefits

Work out which fringe benefits to report in employees' income information, and calculate the reportable amount.

Last updated 12 January 2023

What you need to do

If the total value of the reportable fringe benefits you provide to an employee during the year is more than $2,000, you must report the benefits through Single Touch Payroll or on the employee's payment summary.

Step 1: Work out which benefits are reportable

Most fringe benefits are reportable. However, there are some exceptions.

Benefits you don't report

Some benefits are not reportable, including:

- car parking fringe benefits where you provide the car parking facilities for an employee
  - if you reimburse an employee's expense for car parking and it is an expense payment fringe benefit, it is reportable
- car benefits from private use of pooled or shared cars
- meal entertainment benefits, related travel and accommodation, and entertainment facility leasing benefits, where these are not provided under a salary sacrifice arrangement
- remote area housing assistance, home ownership schemes, and repurchase schemes

- the cost of occasional travel to a major Australian population centre for an employee living in a remote area
- emergency or other essential health care your employee receives as an Australian citizen or permanent resident
  - while working outside Australia
  - for which they can't claim a Medicare benefit
- benefits your employee receives to ensure their security and personal safety because of their job.

If a benefit is not reportable, you don't include it when:

- calculating the total value of benefits provided to an employee
- reporting the employee's fringe benefits through Single Touch Payroll or on their payment summary.

For a full list of benefits that are excluded from reporting, see FBT Guide: 5 Reportable fringe benefits.

Exempt not-for-profit organisations

If a benefit you provide to an employee is exempt *solely* because your organisation is exempt from fringe benefits tax (FBT), it is a reportable fringe benefit.

You need to calculate and report the notional taxable value of the benefit. This means you calculate the taxable value of the benefit as if your organisation was not exempt from FBT.

Although these benefits are reportable, they remain exempt from FBT.

Electric cars

Although the private use of an eligible electric car is exempt from FBT, the benefit is reportable. You will need to work out the notional taxable value of the benefits associated with the private use of the exempt electric car.

Step 2: Work out if you need to report

Add up the taxable value of the reportable fringe benefits for each employee.

You need to report for an employee if the taxable value of their reportable fringe benefits is more than $2,000 in the FBT year (1 April to 31 March).

When you add up the reportable benefits provided to an employee, include:

- the employee's share of any benefits they share with other employees
- the value of any benefits provided to the employee's associates, such as their partner.

Step 3: Calculate the reportable fringe benefits amount

The amount you report for an employee is called their reportable fringe benefits amount (RFBA).

The RFBA is 'grossed-up' to reflect the pre-tax income the employee would have had to earn, at the highest marginal tax rate (plus the Medicare levy), to buy the benefits themselves.

To calculate the RFBA for an employee:

- take the total taxable value of the reportable fringe benefits provided to the employee (the amount you worked out at step 2)
- multiply this amount by the lower (type 2) gross-up rate. For the FBT year ending 31 March 2022, this rate is 1.8868.

You do not use the higher (type 1) gross-up rate to calculate the RFBA. This is the case even if you use the higher rate to calculate the amount of FBT to pay on the fringe benefit.

Example: Working out the reportable fringe benefits amount (RFBA)

During the FBT year (1 April 2021 to 31 March 2022), EFG Pty Ltd provides Derek with several fringe benefits. The benefits, and their taxable value, are:

- car parking $450
- car $3,000

- home internet (expense payment fringe benefit) $500.

The total taxable value of the fringe benefits is $3,950. However, the car parking fringe benefit is not reportable. Therefore, the total taxable value of the reportable fringe benefits provided to Derek is $3,500.

EFG calculates the RFBA as follows:

- $3,500 × 1.8868 = $6,603

EFG Pty Ltd reports an RFBA for Derek of $6,603 through Single Touch Payroll for the year ending 30 June 2022.

Step 4: Report the employee's amount

You report each employee's RFBA:

- through Single Touch Payroll or on their payment summary
- for the income year that ends straight after the FBT year ends.

For example, benefits you provide during the FBT year ending 31 March 2022 would be reported through Single Touch Payroll or payment summaries for the income year ending 30 June 2022.

The RFBA is not part of your employee's assessable income. You need to report it because it is included in income tests for some government benefits and obligations.

Employee leaves between 1 April and 30 June

If an employee leaves between 1 April and 30 June, and received reportable fringe benefits with a taxable value of more than $2,000 during that period, you report the RFBA in the next income year.

For example, if the benefits were provided between 1 April and 30 June 2022, you would report them through Single Touch Payroll or on the employee's payment summary for the income year ending 30 June 2023. You need to do this even though there are no wages or salary to report for that employee for the income year.

For more information about reportable fringe benefits, including how to amend a reported amount and exemptions for certain entities and circumstances, see FBT guide: 5 Reportable fringe benefits.

Reporting exclusion for pooled or shared cars

Check if private use of a car by multiple employees is excluded from reportable fringe benefits.

Reporting exclusion for entertainment-related benefits

Check if meal entertainment and associated benefits are excluded from reportable fringe benefits.

QC 71180

Reporting exclusion for pooled or shared cars

Check if private use of a car by multiple employees is excluded from reportable fringe benefits.

Last updated 20 June 2023

An employee's use of a car is not a reportable fringe benefit if both these conditions are met:

- the employee's use of the car was a car fringe benefit
- you allowed another employee to use the same car in the same fringe benefits tax (FBT) year, and their use was also a car fringe benefit.

An employee's private use of an electric car that meets the requirements of the electric cars exemption is not a reportable fringe benefit if you allowed another employee to use the same car in the same FBT year.

In these circumstances, the car is a pooled or shared car for the FBT year. You don't report any employee's use of the car through Single Touch Payroll or on their payment summary.

You must still:

- pay FBT on any car fringe benefits you provided
- check each year if the reporting exclusion applies because the use of the car may have varied from the previous year.

Examples

This example shows a situation where the reporting exclusion does not apply because only one employee who used the car received a car fringe benefit.

Example: private and business use of car

Cara, an employer, owns a car. She allows one of her employees, Diana, to use the car:

- to travel to and from work on weekdays
- on weekends for private trips.

During business hours:

- the car is parked at Cara's business premises and her other employees use it to visit business clients
- Cara does not allow the other employees to use the car for private purposes, and she enforces this restriction.

Cara provides Diana with a car fringe benefit because Diana uses the car for private purposes.

The other employees' use of the car is only for business purposes. Cara provides no car fringe benefits for these other employees.

The car is not excluded from reporting because only one employee, Diana, received a car fringe benefit.

This example shows a situation where the reporting exclusion does apply because all of the requirements of the exclusion are met.

Example: multiple employees have private use

of car

Nalina, an employer, owns a car. She has 2 employees, Con and Kellie.

Con uses the car to travel to and from work and for other private purposes, so Nalina provides Con with a car fringe benefit.

Kellie uses the same car during the FBT year, mainly for business purposes. When Con is on holiday, Kellie drives the car to and from work, and uses it outside business hours.

Kellie's private use of the car is a car fringe benefit.

The car is a pooled or shared car during the FBT year and Nalina does not have to report either of her employee's use of the car.

This example shows a situation where reporting exemption applies for the private use of an electric car, because all of the requirements of the exclusion are met.

Example: an electric car

Emma, an employer, owns an electric car. Throughout the FBT year, she allows 2 of her employees, Max and Mark, to use the car:

- to travel to and from work on weekdays
- on weekends for private trips.

Max and Mark's private use of the electric car meets the requirements of the electric car exemption.

The electric car is a pooled or shared car during the FBT year and Emma does not have to report either of her employee's use of the car.

This example shows a situation where the reporting exclusion does not apply because the vehicle is not a car.

Example: a vehicle other than a car

Ted owns a ute that is designed to carry a load of more than 1 tonne. His employees, Gloria and Annabelle, use the ute for private purposes on alternate weekends. The private use of the ute is not exempt from FBT.

For FBT purposes, cars do not include motor vehicles designed to carry a load of 1 tonne or more.

The benefit is not excluded from reporting because the ute is not a car.

QC 71181

Reporting exclusion for entertainment-related benefits

Check if meal entertainment and associated benefits are excluded from reportable fringe benefits.

Last updated 12 January 2023

Which entertainment-related benefits you report in your employee's payroll information depends on whether the benefits were provided through salary packaging.

If the benefits were provided through a salary packaging arrangement, include them in your reporting for the employee.

If the benefits were not provided through salary packaging:

- report only recreation benefits, such as amusement, sport or similar leisure activities
- don't include or report the following fringe benefits (even if you pay fringe benefits tax on them)
  - meal entertainment (food and drink) and any associated benefits, such as travel and accommodation
  - hiring or leasing entertainment facilities, such as corporate boxes.

QC 71182

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