



Discount to the valuation of housing fringe benefits provided by retirement village operators

Relying on this Compliance Guideline

This Practical Compliance Guideline sets out a practical administration approach to assist taxpayers in complying with relevant tax laws. Provided you follow this guideline in good faith, the Commissioner will administer the law in accordance with this approach.

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What this Guideline is about

1. This Guideline sets out the acceptable discount to the valuation of housing fringe benefits provided to live-in-managers in a retirement village.

Date of effect

2. This Guideline applies both before and after date of issue. It will be reviewed under the ATO's standard review process to ensure the currency and relevance of the content, and that the content maintains alignment with Australian taxation requirements and industry practice.

Purpose

3. This Guideline outlines the results of collaboration and consultation with industry participants regarding an acceptable discount to the valuation of housing fringe benefits provided to live-in-managers in a retirement village.

Guideline

4. Consistent with the principles outlined in Miscellaneous Taxation Ruling MT 2025 *Fringe Benefits Tax: Guidelines for Valuation of Housing Fringe Benefits*, we confirm the following: a retirement village operator can apply a valuation discount of 10% to work out the statutory annual value of a live-in-manager's annual current housing right for the purposes of 'A' in the formula in paragraph 26(1)(c) of the *Fringe Benefits Tax Assessment Act 1986*.

5. This is in line with the physical characteristics of a live-in manager's accommodation and the location of that accommodation within a retirement village.

Commissioner of Taxation
26 August 2016

References

ATOlaw topic(s)	Fringe benefits tax ~~ Housing benefits ~~ Taxable value
Legislative references	FBTAA 1986 26(1)(c)
Related Rulings/Determinations	MT 2025
BSL	PGH

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