



Taxation Determination

Fringe benefits tax: for the purposes of section 39A of the *Fringe Benefits Tax Assessment Act 1986* what is the car parking threshold for the fringe benefits tax year commencing on 1 April 2017?

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This publication (excluding appendixes) is a public ruling for the purposes of the *Taxation Administration Act 1953*.

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Ruling

1. The car parking threshold for the fringe benefits tax (FBT) year commencing on 1 April 2017 is \$8.66. This replaces the amount of \$8.48 that applied in the previous year commencing 1 April 2016.

Date of effect

2. This Determination applies to the FBT year commencing on 1 April 2017.

Commissioner of Taxation
17 May 2017

Appendix 1 – Explanation

❶ *This Appendix is provided as information to help you understand how the Commissioner's view has been reached. It does not form part of the binding public ruling.*

Explanation

3. Section 39A of the *Fringe Benefits Tax Assessment Act 1986* sets out a number of conditions that must be met before car parking facilities provided by an employer to an employee will be subject to FBT.

4. Broadly, two of these conditions are that a commercial car parking station is located within a 1 kilometre radius of the employer provided car park, and that the lowest fee charged by the operator of that car park is more than the car parking threshold. Where there is more than one commercial parking station located within 1 kilometre, the condition is satisfied where the lowest fee charged by any of the operators is more than the threshold.

5. For example, if there are 3 commercial parking stations located within 1 kilometre of the employer provided car park and the lowest fee charged by each of the operators on 1 April 2017 is \$7.50, \$8.00 and \$9.00, the condition is satisfied because the lowest fee charged by one of the operators on 1 April 2017 is more than the car parking threshold.

6. The car parking threshold set in this Determination has been ascertained by adjusting the previous year amount \$8.48 by a factor equivalent to the movement in the All Groups Consumer Price Index (2.1 per cent).

References

Previous draft:

Not previously issued as a draft

Legislative references:

- FBTAA 1986
- FBTAA 1986 39A
- TAA 1953

Previous Rulings/Determinations:

TD 2012/9; TD 2013/9; TD 2014/11;
TD 2015/11; TD 2016/7

ATO references

NO: 1-ASAX6ON

ISSN: 2205-6211

BSL: PGH

ATOlaw topic: Fringe benefits tax ~~ Car parking benefits ~~ Car parking facilities ~~ 1km radius
Fringe benefits tax ~~ Car parking benefits ~~ Car parking facilities ~~ All day parking
Fringe benefits tax ~~ Car parking benefits ~~ Car parking facilities ~~ Commercial parking station
Fringe benefits tax ~~ Car parking benefits ~~ Substantiation ~~ Lowest fee

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