


CR 2016/58A1 - Addendum - Fringe benefits tax: corporate clients of Smartgroup Corporation Ltd and its subsidiaries (Smartgroup) who participate in Smartgroup's bus travel benefit scheme

 This cover sheet is provided for information only. It does not form part of *CR 2016/58A1 - Addendum - Fringe benefits tax: corporate clients of Smartgroup Corporation Ltd and its subsidiaries (Smartgroup) who participate in Smartgroup's bus travel benefit scheme*

 View the [consolidated version](#) for this notice.



Addendum

Class Ruling

Fringe benefits tax: corporate clients of Smartgroup Corporation Ltd and its subsidiaries (Smartgroup) who participate in Smartgroup's bus travel benefit scheme

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Class Ruling CR 2016/58 to change the preferential order of non-compliance consequences.

CR 2016/58 is amended as follows:

1. Paragraph 14

Omit the paragraph; substitute:

14. Upon cessation of employment, the card account is cancelled. Any unused credits are paid out to the employee as gross salary, with PAYG withholding to be deducted.

2. Paragraph 15

Omit the paragraph; substitute:

15. On the employer's behalf, Smartgroup implements a range of reasonable safeguards to ensure that each smartcard is used only by the employee, for travel between home and work. Smartgroup will receive a report on a daily basis from the provider showing any employee who has used the smartcard. It will include a report on employees who used the smartcard on a mode of transport other than a bus, and the employer will be notified of such breaches. In regards to any non-compliance, the cost of that non-compliant travel (including FBT) will be charged and recovered from the employee from pre-tax salary where possible and as the preferred option. However, the alternative is that the costs (including FBT) are recovered in after-tax salary. If an employee uses the card for three non-compliant trips, the card account will be cancelled.

This Addendum applies on and from 31 May 2016.

Commissioner of Taxation

30 November 2016

ATO references

NO: 1-A2FO82Q
ISSN: 2205-5517
BSL: PGH
ATOlaw topic: Fringe benefits tax ~~ Exempt benefits ~~ Exempt
residual benefits

**© AUSTRALIAN TAXATION OFFICE FOR THE
COMMONWEALTH OF AUSTRALIA**

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).