



***GSTA TPP 051W - Goods and services tax: To what extent is an acquisition creditable if an employer uses the 50/50 split method for entertainment fringe benefits?***

 This cover sheet is provided for information only. It does not form part of *GSTA TPP 051W - Goods and services tax: To what extent is an acquisition creditable if an employer uses the 50/50 split method for entertainment fringe benefits?*

 This document has changed over time. This is a consolidated version of the ruling which was published on *4 June 2014*



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## Notice of Withdrawal

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### Goods and Services Tax Advice

Goods and services tax: to what extent is an acquisition creditable if an employer uses the 50/50 split method for entertainment fringe benefits?

Goods and Services Tax Advice GSTA TPP 051 is withdrawn with effect from today.

1. GSTA TPP 051 explains the special rules that apply for meal entertainment expenses and entertainment facility leasing expenses. Under Division 69 of the *A New Tax System (Goods and Services Tax) 1999* an entity is not entitled to claim input tax credits for acquisitions to the extent that the entity cannot deduct the expense for income tax. If an employer elects to use the 50/50 split method for determining the taxable value of their entertainment fringe benefits, only 50% of the entertainment expenditure is deductible under sections 51AEA to 51AEC of the *Income Tax Assessment Act 1936*.
2. GSTA TPP 051 is withdrawn because the content is duplicated in an existing ATO View.
3. The content of GSTA TPP 051 is contained in paragraphs 102 to 104 and 107 and 108 of Goods and Services Tax Ruling GSTR 2001/3 *Goods and services tax: GST and how it applies to supplies of fringe benefits*.

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#### Commissioner of Taxation

4 June 2014

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#### ATO references

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