IT 2014 - Fees paid to members of governmental commissions or councils - requirement on member to pay fees to employer

This cover sheet is provided for information only. It does not form part of *IT 2014 - Fees paid to members of governmental commissions or councils - requirement on member to pay fees to employer*

TAXATION RULING NO. IT 2014

FEES PAID TO MEMBERS OF GOVERNMENTAL COMMISSIONS OR COUNCILS - REQUIREMENT ON MEMBER TO PAY FEES TO EMPLOYER

F.O.I. EMBARGO: May be released

REF H.O. REF: J237/32/1 P2 F42 DATE OF EFFECT:

B.O. REF: DATE ORIG. MEMO ISSUED: 08.02.83

F.O.I. INDEX DETAIL

REFERENCE NO:	SUBJECT REFS:	LEGISLAT. REFS:
I 1070377	SITTING FEES	25(1)
	GOVERNMENT COMMITTEES	51(1)
	GOVERNMENT COUNCILS	221D(1)
	TAX INSTALMENT DEDUCTIONS	

FACTS

There are a number of committees or councils set up by Commonwealth, State, Territory and local governments to provide advice to the governments on a wide range of matters. The Administrative Review Council, for example, is established under the Administrative Appeals Tribunal Act 1975 to make recommendations to the Attorney-General relating to certain aspects of administrative decisions. Similarly, there are Planning and Finance committees constituted under the Commonwealth Schools Commission Act 1973 to advise the Commission on matters affecting the financing and development of non-government schools.

2. Suitably qualified persons are engaged to serve on the various committees. As a general rule they meet on a basis as required and the members are eligible to be paid sitting fees for their services. In a number of cases employee members are required to pay the fees to their principal employer for the time off to attend committee or council meetings.

RULING

3. The sitting fees form part of the assessable income of the recipient member. Where, however, a member is required to pay over all or part of the sitting fees to the principal employer as a condition of his employment or to reimburse the employer for time taken off from normal duties in order to attend meetings, the amounts so paid represent losses or outgoings incurred in gaining or producing the member's assessable income. Tax instalment deductions need not be made from sitting fees required to be paid over to the principal employer.

COMMISSIONER OF TAXATION
8 FEBRUARY 1983