TD 1999/44 - Fringe benefits tax: what is the exemption threshold for the purposes of subsection 135C(3) of the Fringe Benefits Tax Assessment Act 1986 (FBTAA) for the fringe benefits tax (FBT) year commencing on 1 April 1999?

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This document has changed over time. This is a consolidated version of the ruling which was published on *15 September 1999*

Taxation Determination

Fringe benefits tax: what is the exemption threshold for the purposes of subsection 135C(3) of the *Fringe Benefits Tax Assessment Act 1986* (FBTAA) for the fringe benefits tax (FBT) year commencing on 1 April 1999?

Preamble

*The **number, subject heading, date of effect** and **paragraph 1** of this Taxation Determination are a 'public ruling' for the purposes of Part IVAAA of the **Taxation Administration Act 1953** and are legally binding on the Commissioner. Taxation Rulings TR 92/1 and TR 97/16 together explain when a Determination is a public ruling and how it is legally binding on the Commissioner.*

Date of effect

This Determination applies for the FBT year commencing on 1 April 1999. However, it does not apply to taxpayers to the extent that it conflicts with the terms of settlement of a dispute agreed to before the date of the Determination (see paragraphs 21 and 22 of Taxation Ruling TR 92/20).

1. The exemption threshold as calculated under subsection 135C(3) of the FBTAA for the FBT year commencing on 1 April 1999 is $5,191. This replaces the amount of $5,145 that applied in the previous year.

2. Two conditions must be satisfied for the record keeping exemption arrangements to apply to an employer for an FBT year. The first condition requires a base year to be established. The second condition is that the employer has not received a notice from the Commissioner of Taxation during the FBT year immediately before the current year, requesting the employer to resume record keeping.

3. Section 135C sets out a number of requirements that must be met before an FBT year is a base year of an employer. One of the requirements is that the aggregate fringe benefits amount in the base year does not exceed the exemption threshold.

4. The exemption threshold set in this Determination has been ascertained by applying an indexation factor of 1.009 (reflecting the movement in the All Groups Consumer Price Index for the eight capital cities for the year ending 31 December 1998) to the 1998/99 value.

TD 1999/44

Commissioner of Taxation

15 September 1999

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No draft issued

Subject references:

base year; exemption threshold; fringe benefits tax; FBT; record keeping exemption arrangements; RKEA; record-keeping requirements

Legislative references:

FBTAA Pt XIA; 135C; 135C(3)

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