TD 2005/11 - Fringe benefits tax: For the purposes of section 135C of the Fringe Benefits Tax Assessment Act 1986, what is the exemption threshold for the fringe benefits tax year commencing on 1 April 2005?

This document has changed over time. This is a consolidated version of the ruling which was published on *30 March 2005*

Taxation Determination

Fringe benefits tax: For the purposes of section 135C of the *Fringe Benefits Tax Assessment Act 1986*, what is the exemption threshold for the fringe benefits tax year commencing on 1 April 2005?

Preamble

The number, subject heading, date of effect and paragraph 1 of this document are a 'public ruling' for the purposes of Part IVAAA of the ***Taxation Administration Act 1953*** *and are legally binding on the Commissioner.*

1. The exemption threshold for the fringe benefits tax (FBT) year commencing 1 April 2005 is $6,223. This replaces the amount of $6,084 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:

(i) a base year needs to be established; and

(ii) during the FBT year immediately before the current year the employer has not received a notice from the Commissioner requiring the employer to resume record keeping.

3. Section 135C sets out a number of conditions that must be met before an FBT year is a base year of an employer. One of the conditions is that the employer's 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 1.023 (reflecting the movement in the All Groups Consumer Price Index for the eight capital cities for the year ending 31 December 2004) to the previous year's threshold.

Date of effect

5. This Determination applies to the FBT year commencing 1 April 2005.

Commissioner of Taxation
30 March 2005

Previous draft:

Not previously issued as a draft

Previous Rulings/Determinations:

TD 1999/44; TD 2000/22; TD 2001/6; TD 2002/8; TD 2003/7; TD 2004/11

Subject references:

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

Legislative references:

- TAA 1953 Pt IVAAA
- FBTAA 1986 135C

ATO references
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