TD 2007/17 - Fringe benefits tax: for the purposes of section 39A of the Fringe Benefits Tax Assessment Act 1986 what is the car parking threshold for the fringe benefits tax year commencing on 1 April 2007?

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This document has changed over time. This is a consolidated version of the ruling which was published on *9 May 2007*

Taxation Determination

Fringe benefits tax: for the purposes of section 39A of the *Fringe Benefits Tax Assessment Act 1986* what is the car parking threshold for the fringe benefits tax year commencing on 1 April 2007?

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This publication (excluding appendixes) is a public ruling for the purposes of the *Taxation Administration Act 1953*. A public ruling is an expression of the Commissioner's opinion about the way in which a relevant provision applies, or would apply, to entities generally or to a class of entities in relation to a particular scheme or a class of schemes. If you rely on this ruling, we must apply the law to you in the way set out in the ruling (unless we are satisfied that the ruling is incorrect and disadvantages you, in which case we may apply the law in a way that is more favourable for you – provided we are not prevented from doing so by a time limit imposed by the law). You will be protected from having to pay any underpaid tax, penalty or interest in respect of the matters covered by this ruling if it turns out that it does not correctly state how the relevant provision applies to you.

Ruling

1. The car parking threshold for the fringe benefits tax (FBT) year commencing on 1 April 2007 is $6.78. This replaces the amount of $6.62 that applied in the previous year commencing 1 April 2006.

Date of effect

2. This Determination applies to the FBT year commencing on 1 April 2007.

Commissioner of Taxation
9 May 2007

Appendix 1 – Explanation

This Appendix is provided as information to help you understand how the Commissioner's view has been reached. It does not form part of the binding public ruling.

Explanation

3. Section 39A of the *Fringe Benefits Tax Assessment Act 1986* sets out a number of conditions that must be met before car parking facilities provided by an employer to an employee will be subject to FBT.

4. Broadly two of these conditions are that a commercial car parking station is located within a 1 kilometre radius of the employer provided car park, and that the lowest fee charged by the operator of that car park is more than the car parking threshold. Where there is more than one commercial parking station located within 1 kilometre, the condition is satisfied where the lowest fee charged by any of the operators is more than the threshold.

5. For example, if there are 3 commercial parking stations located within 1 kilometre of the employer provided car park and the lowest fee charged by each of the operators on 1 April 2007 is $5.50, $6.00 and $7.00, the condition is satisfied because the lowest fee charged by one of the operators on 1 April 2007 is more than the car parking threshold.

6. The car parking threshold set in this Determination has been ascertained by adjusting the previous year amount ($6.62) by a factor equivalent to the movement in the All Groups Consumer Price Index (2.4 per cent).

References

Previous draft:

Not previously issued as a draft

Related Rulings/Determinations:

TR 96/26

Previous Rulings/Determinations:

TD 96/23; TD 97/17; TD 98/8; TD 1999/28; TD 2000/26; TD 2001/11; TD 2002/14; TD 2003/14; TD 2004/16; TD 2005/18; TD 2006/37

Subject references:

- car parking benefits
- car parking fringe benefits
- car parking threshold
- FBT
- FBT commercial parking station
- FBT motor vehicle parking
- fringe benefits tax

Legislative references:

- FBTAA 1986 39A
- TAA 1953

ATO references

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