

TD 93/71 - Fringe benefits tax: how is the 1km distance between a commercial car parking station and the premises on which an employee's car is parked to be measured for the purposes of section 39B of the Fringe Benefits Tax Assessment Act 1986 (the FBTAA)?

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 This document has changed over time. This is a consolidated version of the ruling which was published on 22 April 1993

This Determination, to the extent that it is capable of being a 'public ruling' in terms of Part IVAAA of the *Taxation Administration Act 1953*, is a public ruling for the purposes of that Part. Taxation Ruling TR 92/1 explains when a Determination is a public ruling and how it is binding on the Commissioner. Unless otherwise stated, this Determination applies to years commencing both before and after its date of issue. However, this Determination does not apply to taxpayers to the extent that it conflicts with the terms of a settlement of a dispute agreed to before the date of issue of the Determination (see paragraphs 21 and 22 of Taxation Ruling TR 92/20).

Taxation Determination

Fringe benefits tax: how is the 1km distance between a commercial car parking station and the premises on which an employee's car is parked to be measured for the purposes of section 39B of the *Fringe Benefits Tax Assessment Act 1986* (the FBTAA)?

1. Section 39B of the FBTAA which was inserted by the *Taxation Laws Amendment (Car Parking) Act 1992* (the amending Act), specifies that:

"....a commercial car parking station is taken to be located within a 1km radius of particular premises if....a car entrance to the commercial parking station is situated less than 1km, **by the shortest practicable route** from a car entrance to those premises."

2. The explanatory memorandum which accompanied the amending Act explains that this route can be travelled by foot, car, train, boat, etc., whichever produces the shortest practicable route.

3. Where the shortest route can be travelled on foot, it is expected that public thoroughfares such as arcades through shopping centres will be utilised in determining the distance. However, illegal or impracticable shortcuts through, for example, private property, would not be considered to be part of a "practicable route".

4. Whilst the basis of measurement of the distance of journeys or portions of journeys is left to be determined by the individual employer, distances travelled can be determined using measuring devices attached to vehicles, by information available from a public transport authority or by measurement on a scale map.

Commissioner of Taxation

22/04/93

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