



TD 94/47 - Fringe benefits tax: are meals supplied to crew members on trawlers subject to fringe benefits tax?

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 This document has changed over time. This is a consolidated version of the ruling which was published on *2 June 1994*

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: are meals supplied to crew members on trawlers subject to fringe benefits tax?

1. Yes. The provision of a meal would constitute either a board fringe benefit or a property fringe benefit in terms of section 35 or section 40 of the *Fringe Benefits Tax Assessment Act 1986*.
2. However, where meals are provided to crew who are travelling in the course of their employment, the 'otherwise deductible' rule contained in section 37 or section 44 will apply to reduce the taxable value of the benefit to nil.
3. It is accepted that crew are travelling in the course of their employment where the vessel that they are engaged on is operating away from its home base for more than one day.
4. For a detailed explanation of the operations of sections 35, 37, 40, and 44, refer to Taxation Ruling TR 94/1.

Example

Fred Mc Rura is a crew member of a trawler in the Northern Prawn Fishery. He and his family live in his home base of Cairns in North Queensland. Fred is required by his employer to travel for various periods of time ranging from a few days to many months.

In these circumstances it is accepted that Fred is travelling in the course of his employment and therefore the taxable value of the board fringe benefit is reduced to nil under the 'otherwise deductible' rule.

Commissioner of Taxation

2/6/94

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Related Rulings: TR 94/1

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Legislative Ref: FBTA 35, FBTA 37, FBTA 40, FBTA 44

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