


IT 2176 - Income tax: national building trades construction award : living-away-from-home : distant work

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TAXATION RULING NO. IT 2176

INCOME TAX: NATIONAL BUILDING TRADES CONSTRUCTION
AWARD : LIVING-AWAY-FROM-HOME : DISTANT WORK

F.O.I. EMBARGO: May be released

REF

H.O. REF: 85/4893-5

DATE OF EFFECT:

B.O. REF:

DATE ORIG. MEMO ISSUED:

F.O.I. INDEX DETAIL

REFERENCE NO:

SUBJECT REFS:

LEGISLAT. REFS:

I 1193279

LIVING-AWAY-FROM-HOME
ALLOWANCE

26
51A
221C

OTHER RULINGS ON TOPIC CITCM 397 and 821

FACTS

Clause 25.1 of the National Building Trades Construction Award entitles an employee in the building trades construction industry to an allowance, the rate of which is set out in Clause 25.3, when the employee is employed on a job or construction work at such a distance from his usual place of residence that he cannot reasonably return to that place each night. Clause 25.2 places the onus upon the employee to advise the employer in writing of his usual place of residence and to advise the employer of any subsequent change.

2. The allowance may be paid in cash or, alternatively, reasonable board and lodging provided. Where suitable board and lodging is not available, the employer may house the employees in camp accommodation.

RULING

3. Because the employees do in fact have to nominate a usual place of residence and be away from that usual place of residence to qualify for the allowance or benefit the allowance qualifies as a living-away-from-home allowance as defined in sub-section 51A(3).

4. Where the allowance is paid in cash the amount received is assessable income and the deductions available under paragraph 51A(2)(a) are allowable. Where board and lodging or camp accommodation is provided the deductions allowable under paragraph (b) or (c) of sub-section 51A(2) mean that in practice employees are not assessed upon any greater amount than \$2 per week.

5. As far as tax instalment deductions are concerned sub-section 221C(6), which is complementary to section 51A, applies and no more than \$2 per week is taken into account for tax instalment deduction purposes.

COMMISSIONER OF TAXATION
17 July 1985

