TD 93/195A1 - Addendum - Income tax: to what extent is a registration fee for a Continuing Professional Development (CPD) seminar deductible if a part of the fee represents the cost of food and drink to be provided as part of the seminar?

• This cover sheet is provided for information only. It does not form part of *TD* 93/195A1 - Addendum - Income tax: to what extent is a registration fee for a Continuing Professional Development (CPD) seminar deductible if a part of the fee represents the cost of food and drink to be provided as part of the seminar?

Uiew the consolidated version for this notice.



Australian Government

Australian Taxation Office

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Addendum

Taxation Determination

Income tax: to what extent is a registration fee for a Continuing Professional Development (CPD) seminar deductible if a part of the fee represents the cost of food and drink to be provided as part of the seminar?

This Addendum amends Taxation Determination TD 93/195 to reflect the changes to the law caused by the repeal of inoperative provisions.

TD 93/195 is amended as follows:

1. Paragraph 1

(a) Omit 'subsection 51(1) of the *Income Tax Assessment Act 1936*'; substitute 'section 8-1 of the *Income Tax Assessment Act 1997* (ITAA 1997)¹'.

(b) Omit 'section 51AE'; substitute 'Division 32'.

2. Paragraph 1(a)

- (a) Omit 'food and drink'; substitute 'food, drink or recreation'.
- (b) Omit 'subsection 51AE(3)'; substitute 'section 32-10'.

3. Paragraph 1(b)

Omit the paragraph; substitute:

- (b) if the food and drink does amount to entertainment but the CPD seminar is a seminar as defined in section 32-65 and the seminar expenses exception in section 32-35 applies, the registration fee is deductible in full. Section 32-35 includes the requirement that the food and drink provided is 'reasonably incidental' to a participant's attendance at the seminar. 'Reasonably incidental' is not defined. Food and drink is reasonably incidental to a CPD seminar if it:
 - (i) is provided for sustenance because of the duration, time of day or location of the seminar;

¹ All subsequent legislative references are to the ITAA 1997 unless indicated otherwise.

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- (ii) is provided immediately before, during or immediately following sessions of the seminar; and
- (iii) is available to all seminar participants.

4. Paragraph 1(c)

Omit 'CPD seminar is not an eligible seminar'; substitute 'seminar expenses exception in section 32-35 does not apply (because, for example, the seminar is a business meeting)'.

5. Paragraph 2: questions 1, 2 and 3

Omit 's51(1)' wherever occurring; substitute 'section 8-1'.

6. Paragraph 2: question 4

(a) Omit 'Is seminar an eligible seminar?'; substitute 'Is there a seminar (as defined in section 32-65)?'

(b) Omit 's51AE'; substitute 'Division 32'.

7. Paragraph 2: question 5

(a) Omit 'ls food and drink reasonably incidental to seminar?'; substitute 'Does seminar satisfy the exception in 32-35?'.

(b) Omit 's.51AE'; substitute 'Division 32'.

8. Paragraph 2: final answer

Omit 's51AE'; substitute 'Division 32'.

9. Examples: bracketed paragraph

Omit '\$40'; substitute with '\$50'.

10. Examples: paragraph 2

- (a) Omit 'Satisfy s51(1)'; substitute 'Does expense satisfy s8-1'.
- (b) Omit 'Food & Drink'; substitute 'Is food & drink included'.
- (c) Omit 'Eligible seminar'; substitute 'Is a seminar as defined'.
- (d) Omit 'No' in column 4; substitute 'Yes'.
- (e) Omit 'Reasonably Incidental'; substitute 'Is the s32-35 exception satisfied'.
- (f) Omit 'Not applicable' in column 4; substitute 'No (seminar only 3 hours)'.
- (g) Omit s51; substitute s8-1.
- (h) Omit 's51AE' wherever occurring; substitute 'Division 32'.

11. Legislative References

Omit the references; substitute:

- ITAA 1997 section 8-1
- ITAA 1997 Division 32
- ITAA 1997 section 32-10
- ITAA 1997 section 32-35
- ITAA 1997 section 32-65

This Addendum applies on and from 14 September 2006

Commissioner of Taxation 24 April 2013

ATO references

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Fringe Benefits Tax ~~ Meal entertainment