



Australian Government
Australian Taxation Office

Let's Talk FBT with the ATO

6 August 2024

Welcome

Acknowledgment of country

"I would like to respectfully acknowledge the traditional owners and custodians of the land on which we meet throughout Australia and the continuing connection to land, waters, and community. I would also like to pay my respects to them and their cultures, and elders past, present and emerging."

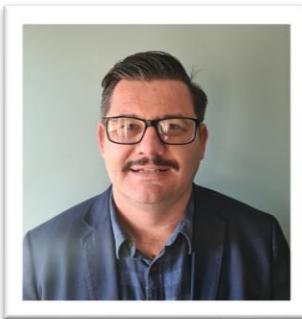


Presenters



Jennifer Madigan

Australian Taxation Office Director
Superannuation & Employer
Obligations



Mark East

Australian Taxation Office,
FBT Risk and Product Manager

Agenda

Section 1 - Let's get to know FBT

Getting your FBT right – the 4 steps

- Identify
- Determine
- Lodge, report and pay
- Keep records

Short break

Section 2 - How FBT applies to Motor vehicles

- Cars
- Utes, vans and other vehicles (exemptions)
- Car parking

01

Let's get to know FBT



Poll

Before we get to know FBT,
let's get to know you.

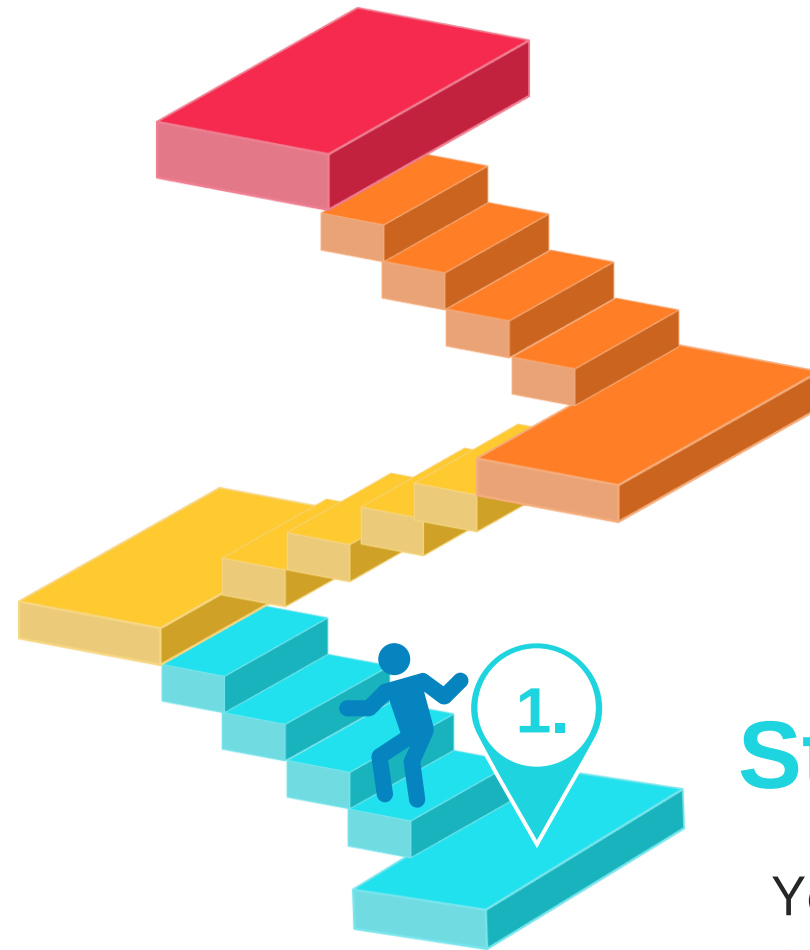
- 1) Do you work as a tax advisor?
- 2) Do you work for a not-for-profit employer?
- 3) Do you work for a for-profit employer?
- 4) Are you a Govt. employee

Let's get to know FBT



www.ato.gov.au/howfbtworks

Four steps to getting FBT right



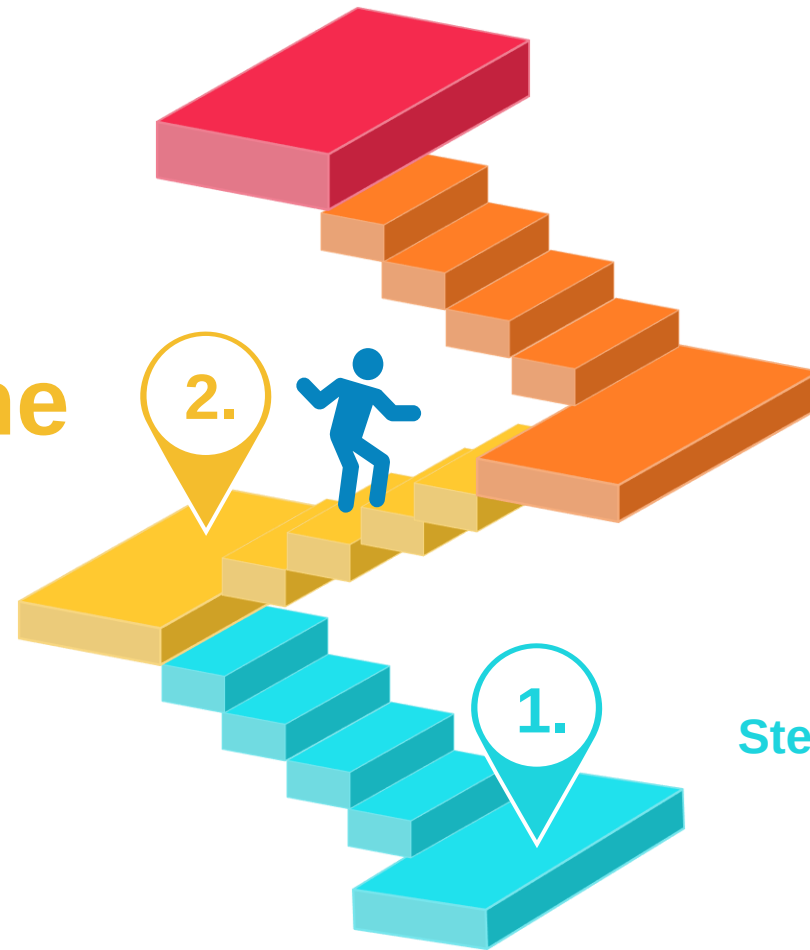
Step 1. Identify

You need to **identify** if you are providing benefits.

Four steps to getting FBT right

Step 2. Determine

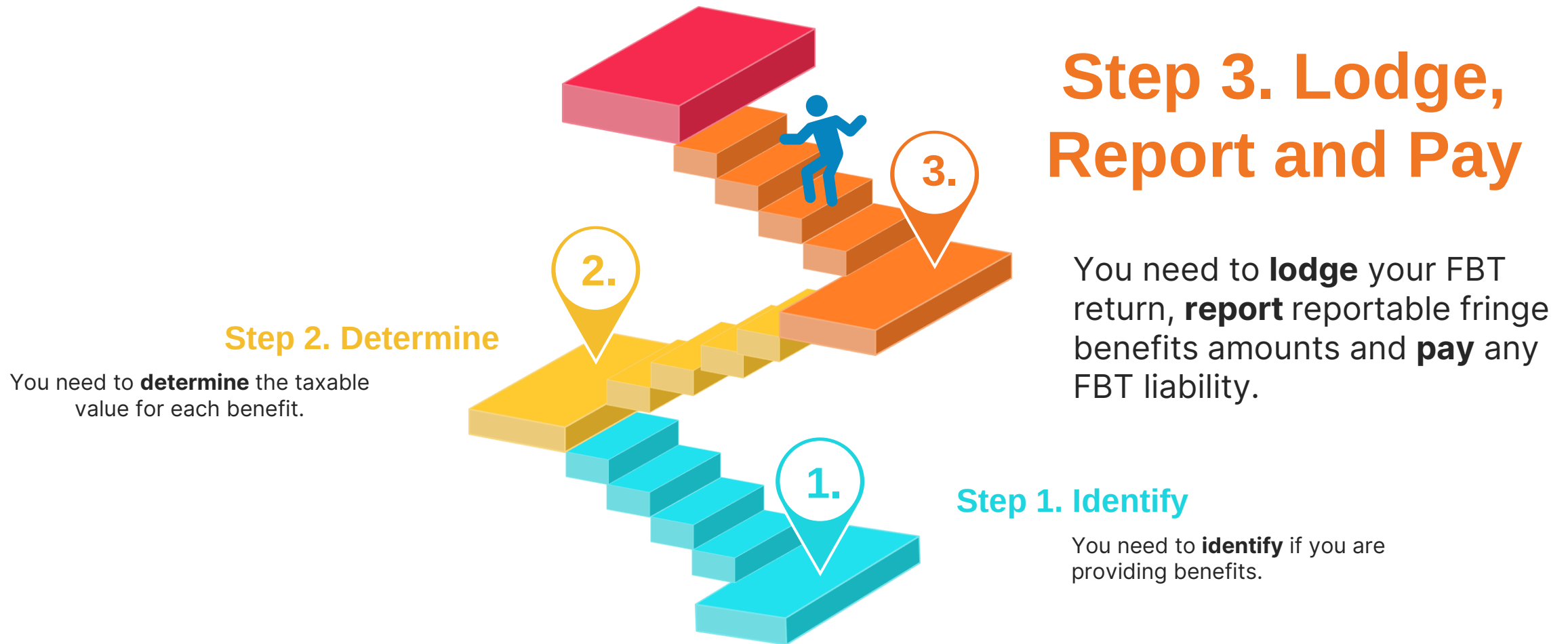
You need to **determine** the taxable value for each benefit.



Step 1. Identify

You need to **identify** if you are providing benefits.

Four steps to getting FBT right



Four steps to getting FBT right

Step 4. Keep Records

You need to make sure you keep records for each of the steps that confirm your FBT position.

Step 3. Lodge, Report and Pay

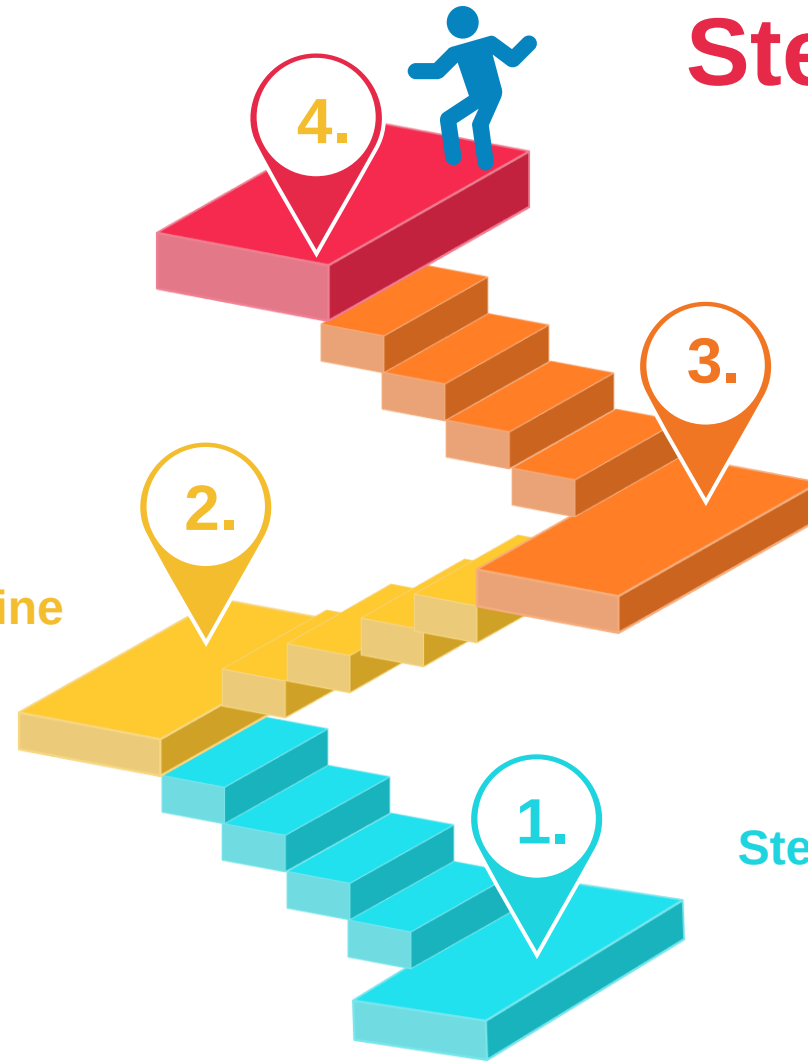
You need to **lodge** your FBT return, **report** reportable fringe benefits amounts and **pay** any FBT liability

Step 1. Identify

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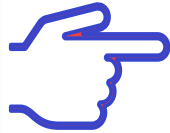
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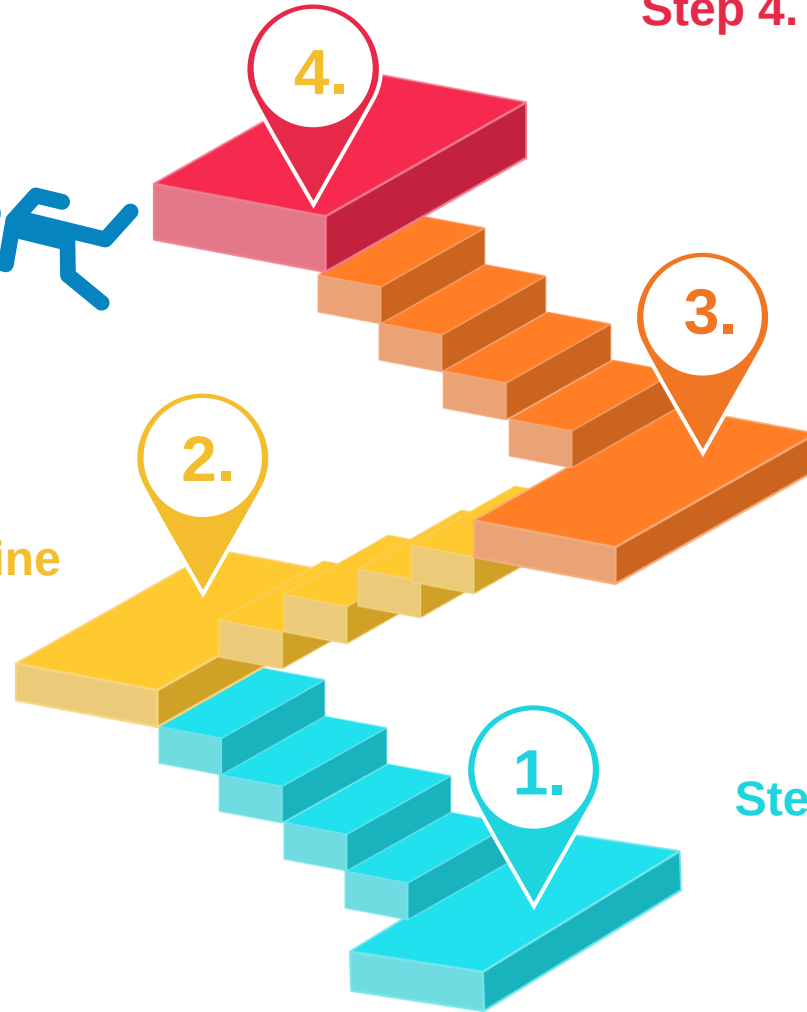
Four steps to getting FBT right

Make sure you don't **fall down** at the last step – by **keeping records** at every stage!



Step 2. Determine

You need to **determine** the taxable value for each benefit.



Step 4. Keep Records

You need to make sure you keep records for each of the steps that confirm your FBT position.

Step 3. Lodge, Report and Pay

You need to **lodge** your FBT return, **report** reportable fringe benefits amounts and **pay** any FBT liability

Step 1. Identify

You need to **identify** if you are providing benefits.

Identify – Step 1

The **first step** to getting FBT right is to ask.



Are my employees provided perks on top of their salary and wages?

No – then FBT does not apply.

Yes – then FBT may apply.

The **second question** to ask is, **what kind or 'type'** are they?

Identify – Benefits quick reference

ATO Community

Legal Database

What's New

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Businesses and organisations

Tax and super professionals

< Types of fringe benefits

Benefits quick reference

FBT on cars, other vehicles, parking and tolls

Entertainment-related fringe benefits

Expense payment fringe benefits

Loan and debt waiver fringe benefits

Accommodation and location related fringe benefits

Property fringe benefits

Residual fringe benefits

Businesses and organisations > ... > Benefits quick reference

Benefits quick reference

Use this list of common benefits to quickly find the information you need about FBT.

Last updated 12 January 2023 | Print or Download

Watch: Lifestyle asset fringe benefits



List of common benefits

Item	See
Accommodation	Accommodation and location related fringe benefits
Receiving employer's property	Residual fringe benefits

Ask Alex for help

The **benefits quick reference** can be found by visiting ato.gov.au/FBTQuickGuide

Determine – Step 2



The second step to getting FBT right, is by **determining** the **taxable value** of the benefits.



Determine – Step 2

Benefits quick reference example

List of common benefits

Item	See
Computer, laptop or tablet	Work-related items exempt from FBT
Computer, desktop	Reimbursing cost of computer: Expense payment fringe benefits
	Providing computer: Property fringe benefits

Work-related items exempt from FBT

Portable electronic devices

Portable electronic devices that are mainly used for work purposes are exempt from fringe benefits tax (FBT).

The exemption applies to one item per FBT year for items with a substantially identical function (unless it is a replacement item).

Property fringe benefits

What to do if you provide a property fringe benefit

You need to:

1. work out the [taxable value of your property fringe benefit](#)
2. [calculate how much FBT to pay](#)
3. [lodge your FBT return](#)
4. [pay the FBT amount](#)
5. [check if you need to report the fringe benefits amount](#) through Single Touch Payroll (or on your employee's payment summary).

FBT – a guide for employers

This is an additional resource to help you meet your FBT obligations.

It explains:

- FBT and your responsibilities as an employer
- How to identify and value each type of benefit
- What concessions are available

To view the guide, visit the ATO legal database ato.gov.au/law and search '**fringe benefits tax a guide for employers**'.

Poll

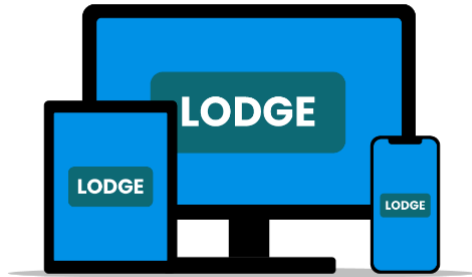
Step 3. Lodge, report and pay

Does an employer need to lodge an FBT return if:

- They are registered for FBT,
- Have provided benefits through the year,
- But have determined they do not have an FBT liability
(for example - the item was a work related item and determined to be exempt, or the employee has made after tax contributions to the item etc.)?

Yes? / No?

Lodge, report and pay – Step 3



Lodge

Your FBT return
(or a *notice of non-lodgment* form if
registered and lodgment is not
required)

Due

25 June - if lodged electronically by
your agent, or
21 May - in all other situations

Report

Reportable fringe benefits amounts

- via single touch payroll, or
- on the employee's payment
summary

Due

14 July - STP reporting must be
finalised, or payment summary
issued to employees

Pay

FBT amount by the due date
or contact us if you are having
difficulty paying on time

Due

25 June - if lodged electronically by
your agent, or
21 May - in all other situations

For more information visit

- www.ato.gov.au/fbtlodgment
- www.ato.gov.au/reportablefbt

Keep records – Step 4

The fourth step to getting FBT right



It's important to keep records to **demonstrate** your position.

For more information on what records you may need to keep, visit www.ato.gov.au/fbtrecordkeeping

Record keeping

Record keeping for FBT

You can check which records to keep for fringe benefits tax (FBT) purposes and how long to keep them.

Topics include:

- Records you need
- Records to obtain from employees
- FBT alternative record keeping option
- Record keeping exemption arrangements
- How long to keep records

For more information, visit
ato.gov.au/fbtrecordkeeping

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Fringe benefits tax alternative record keeping

Businesses and organisations > ... > Record keeping for FBT

Record keeping for FBT

Check which records to keep for fringe benefits tax (FBT) purposes and how long to keep them.

Last updated 26 March 2024 | [Print or Download](#)

On this page

[Records you need](#)
[Records to obtain from employees](#)
[FBT alternative record keeping option](#)
[Record keeping exemption arrangements](#)
[How long to keep records](#)

Records you need

You must keep records that:

- show how you calculated the taxable value of benefits
- support any fringe benefits tax (FBT) exemptions or concessions you used.

Examples of these records include:

- calculations
- worksheets

Report webpage issue

 Ask Alex for help



Questions

Short Break



02

How FBT applies to motor vehicles



How FBT applies – Motor vehicles



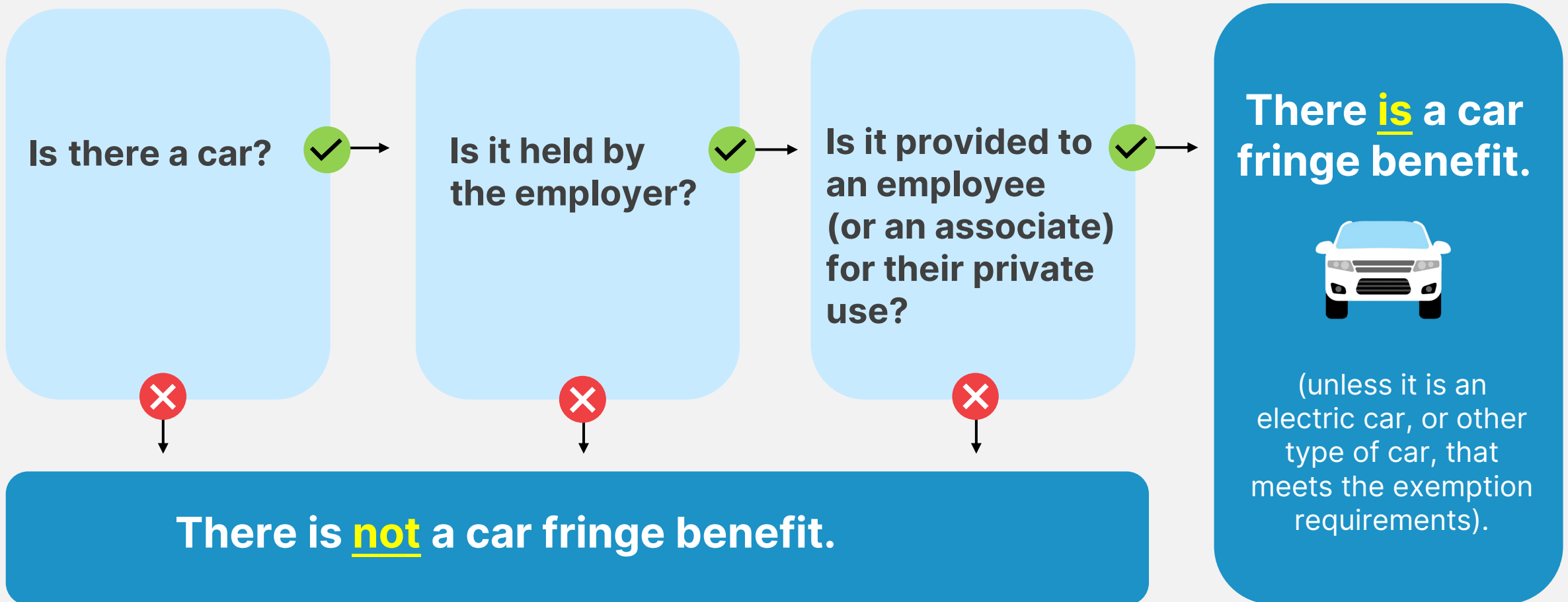
**The most
common
mistakes we see
involves motor
vehicles.**

We see employers:

-  Treat cars as 100% business use, even though they are used or available for private purposes.
-  Don't have a valid logbook, or the logbook is not a representative sample of actual travel.
-  Treat all eligible commercial vehicles as FBT exempt, without considering if the private use of the vehicle was limited.

How FBT applies – Cars

To work out if you are providing a car fringe benefit, consider:



For more information please visit ato.gov.au/carfbt

How FBT applies – Cars

Determine the **taxable value** of a car fringe benefit.



Choose your **method**



Statutory formula method

or

Operating cost method

(if you have adequate records)

For more information visit ato.gov.au/carfbt

Logbook requirements:

- ✓ Reason for the journey
- ✓ Start and end date of the journey
- ✓ Start and end odometer reading of the journey
- ✓ Kilometres travelled

YEAR: _____

Start Date: _____ Start Odometer Reading: _____

End Date: _____ End Odometer Reading: _____

Date of Trip:		Destination		Km Travelled:	Purpose of Journey:
Start	End	Start	End		
			TOTAL:	0.00	

Total Kms Travelled: 0.00
Business Use Percentage: 0.00%

Example only

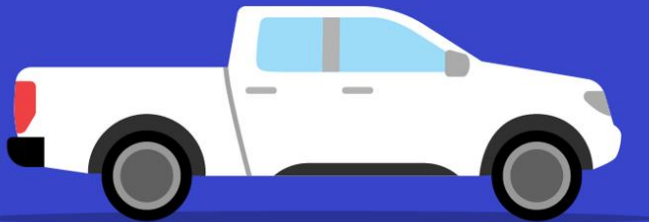
Common issues:

- × Inaccuracies
- × Gaps
- × Impractical travel

How FBT applies – Utes, vans and other vehicles (exemptions)

MYTH

FBT does not apply to dual cab utes, vans and other commercial type vehicles.



BUSTED



FBT can apply to these types vehicles.

An **exemption may apply**, but it is a **2 step process**.

Step 1. Consider the type of vehicle and whether it is eligible for the exemption.

Step 2. Consider the uses of the vehicle, and is this private use limited.

For more information please visit, ato.gov.au/vehiclefbtexemption



Driving the ute to **every** weekend footy match, towing the boat to go fishing **every** Sunday or going on **long** camping trips, generally takes you beyond the definition of limited private use.

Poll

Car Parking

Do you, or your clients provide car parking to your/their employees?

- **Yes** - we do (or your clients do)
- **No** - we don't (or your clients don't')
- **Some** - of your clients do

How FBT applies – Car parking

Key questions to ask to identify if a car parking fringe benefit is being provided:

Do you provide car parking for your employee at or near your place of employment?



Is there a commercial parking station within 1km, that charges more than the car parking threshold at 1 April (which is \$10.77 for the 2025 FBT year?)



Is the car parked for more than 4 hours between 7.00 am and 7.00 pm?



There is **not** a car parking fringe benefit.

You **may*** be providing a car parking fringe benefit.

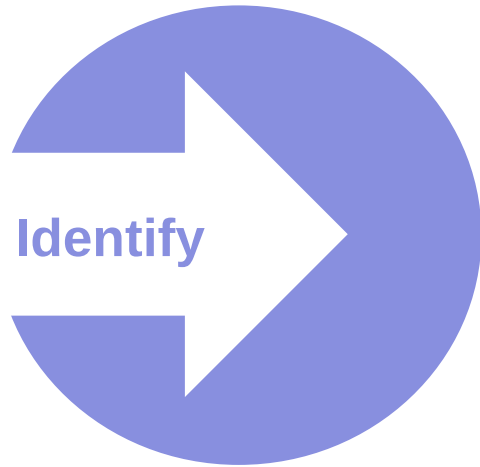
(unless an exemption applies)



*consider reviewing your car parking arrangements – refer to Chapter 16 of the employers guide or ato.gov.au/carfbt

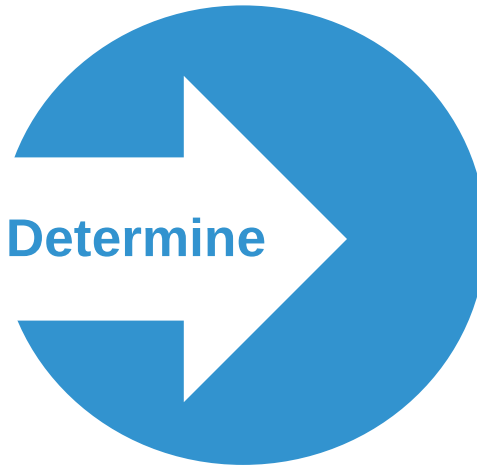
Questions

Key messages



Identify the perk or benefit

- ✓ For more information visit ato.gov.au/fbt



Determine the taxable value

- ✓ For assistance use information from our website including:
 - Quick reference guide
 - Employers guide



Lodge, report and pay by the due date

- ✓ Lodge and pay by
 - 25 June if your agent lodges electronically
 - 21 May for all other situations
- ✓ Finalise STP records by 14 July



Keep records to demonstrate your position

- ✓ ato.gov.au/fbtrecordkeeping page provides relevant records for you to consider