

22<sup>nd</sup> March 2018

**FRINGE BENEFITS TAX (FBT) LIABILITY TO PAY AND LODGE FOR FBT  
YEAR 1<sup>ST</sup> APRIL 2017 – 31<sup>ST</sup> MARCH 2018**

**DON'T BE CAUGHT ON APRIL FOOL'S DAY**

**BEFORE YOU OR YOUR EMPLOYEES DO ANYTHING ELSE ON 1<sup>ST</sup> APRIL,  
PLEASE RECORD THE ODOMETER READING ON ALL VEHICLES FOR  
WHICH YOUR BUSINESS PAYS ANY OF THE RUNNING COSTS.**

**FBT CAN AFFECT GST AND YOUR BAS**

**IF YOU ARE MAKING A PRIVATE USE REIMBURSEMENT BACK TO THE  
BUSINESS BY WAY OF CASH CONTRIBUTION OR LOAN ACCOUNT OFFSET,  
THIS MUST BE DONE BY 31 MARCH OR 30 JUNE RESPECTIVELY.**

This strategy can be cheaper than actually paying FBT which is levied at 47%.

Such reimbursement is included at Item G1 on your Business Activity Statement and is subject to GST.

**ACTION IS REQUIRED**

Attached are Fringe Benefits Tax schedules and declarations for completion after 31 March 2018. Appropriate schedules have been included, based on the types of fringe benefits provided last year.

Would you please ensure that records are gathered for the FBT year 1 April 2017 – 31 March 2018 and all instances of benefits being provided are identified.

Please print the enclosed schedules where extras are required and complete.

**We would recommend that you complete schedules as required, scan and then email together with any supporting documentation to the email address you receive this email from. Alternatively, you may post this information back to us.**

When doing this, remember:-

- The FBT year is 1 April 2017 to 31 March 2018;
- “**Employee**” may include directors/business owners, even if no salary is paid;
- FBT also applies if a benefit, eg. a car, is used by a relative;
- Benefits provided by third parties under arrangement with you as employer may be caught, eg. sporting tickets provided by a supplier to an employee.

You should also review your records for the past year to determine whether any additional types of benefits have been provided to employees or associates with reference to the following list:-

- Motor vehicles (**ODOMETER READINGS AT 31/3/18 ESSENTIAL**)
- Entertainment and Recreation (includes meals and other eg. corporate box, tickets to sporting or other events)
- Payment of personal expenses which are charged to the employee’s salary package
- Car Parking (where greater than \$8.66 per day)
- Loans
- Provision of Housing
- Living away from home allowance
- Debt waiver
- Board
- Property (eg. provision of a personal computer for home)
- Airline
- Residual
- Personal expenses paid from loyalty programs accruing points on business expenditures (for example, Qantas Frequent Flyer Program)

Please consider the above carefully and **contact Isabel Li, Karin Foo, Jeremy Harris or Philip Newell** of this office with regards to any further assistance you may require.

There is a very short lodgement period for FBT returns, so please give this matter your **URGENT** attention.

Yours faithfully



**Philip Newell CA**

**Chartered Accountant B Commerce/B Arts  
Partner**

**GILL McKERROW**