



News and Views Podcast Show

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Episode 80 – 2017 Fringe Benefits Tax Year

In this episode, we are going to look at fringe benefits tax for 2017 with the fringe tax year finishing on 31st of March.

Updates:

- March BAS due 25 May 2017
- FBT returns due 22 May 2017
- Super for the quarter 28 April 2017
- ATO has updated the small business benchmarks with 2015 information. 1.4 million businesses over 100 industries.

Fringe Benefits Tax:

- Year ending 31 March 2017 - take note of odometer readings.
- If you are liable, or think you may be liable, then you will need to lodge an FBT return.
- Main benefits are motor vehicles and meals and entertainment.
- ATO once again looking at motor vehicles.
- Rate for 2017 FBT 49% back down to 47% for 2018 year

What's New:

- Meal entertainment for FBT exempt or rebateable organisations:
 - Previously excluded from the capping thresholds.
 - \$5,000 cap for salary packaged meal & entertainment – in addition to existing caps.
- Reportable FBT \$2,000 (taxable value before gross up) (from 1 July 2016).
- Meal & entertainment is no longer an excluded benefit for RFBA.
- Taxi travel between home and work exempt (except where entertainment) does not include Uber.
- ATO putting blowtorch on businesses claiming car and super expenses and not lodging FBT returns.
- Key tax return labels being reviewed. Company and Trust returns with motor vehicle expenses, contractor expense, FBT employee contribution, or superannuation expense (disclosure of super means has one or more employee).

Common Errors with LAFHA:

- Maintaining Australian home requirement (cannot be non-resident).
- Only for 12 months
- Declaration requirement (must be correct approved declaration).

Other:

- ATO also looking at corporate sponsorships where employees get non-advertising benefits (need to be able to find out value of benefit).
- Businesses maintaining fleet of cars - can now have log books for 75% of the fleet and use average business use percentage for fleet for five years (need more than 20 cars – tool trade).

Strategy before 30 June 2017

- Window of opportunity as FBT down to 47% from 1 April 2017 but top tax rate still 49% until 30 June 2017.

Make sure you review you're FBT position for 2017 year as it may have changed and you may lodge a return. ATO is cracking down on FBT and will be reviewing tax returns for potential benefits. We are here to help if you need assistance visit our website www.buscgroup.com.au .