



Fringe Benefits Tax Policy

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| Reference Number: | 3.10 |
| Type: | Council |
| Category: | Corporate Services |
| Relevant Community Plan Outcome: | <ul style="list-style-type: none">• Our values, leadership and collaborative approach are bold and courageous and enables us to deliver value for our Community and create a leading liveable City• The management of our city is progressive, responsive and sustainable to ensure a united and unique place for future generations• Open and accountable governance |
| Responsible Officer(s): | Manager Financial Services |
| First Issued/Approved: | July 1996 |
| Minutes Reference: | CoS 07/08/2023, Item 4.29 |
| Last Reviewed: | August 2023 |
| Next Review Due: | August 2024 |
| Applicable Legislation: | Local Government Act 1999 Local Government (Financial Management) Regulations 2011 Fringe Benefits Tax Act 1986 Fringe Benefits Tax Assessment Act 1986 Fringe Benefits Tax Regulations 1992 |
| Related Policies: | Motor Vehicle Policy Motor Vehicle Policy – Remuneration Packaging Salary Sacrifice Policy |
| Related Procedures: | |

1. Purpose

Fringe Benefits Tax (FBT) is a tax paid on benefits in place of, or in addition to, salary or wages of employees. This Policy seeks to ensure compliance with FBT obligations under Australian tax law.

2. Scope

This Policy covers Council's obligations under Australian tax law with regard to FBT.

3. Policy Statement

FBT is paid on benefits in place of, or in addition to, salary or wages of employees.

Total fringe benefits provided is also required to be reported on employee's annual PAYG payment summaries. As the FBT year is not aligned with the financial year, the benefits reported is for the preceding FBT year, which runs from 1 April to 31 March.

Council will comply with the FBT legislative requirements, and the Fringe Benefits Tax return is to be completed in accordance with the Fringe Benefits Tax Act for approval by the Manager Financial Services. An analysis of the Fringe Benefits Tax Return shall be prepared for consideration by the Manager Financial Services before 31 May each year.

Adequate records will be maintained to support Council's Fringe Benefits declaration for a period of no less than 7 years.

4. Definitions

| Key Term – Acronym | Definition |
|--------------------|---------------------|
| FBT | Fringe Benefits Tax |
| PAYG | Pay As You Go (Tax) |