



Fringe Benefits Tax Policy

Reference Number:	3.10
Type:	Council
Category:	Corporate Services
Relevant Community Vision Outcome:	<u>Responsible Governance</u> We will manage our city in a sustainable and affordable way with responsible governance. <u>Excellence in Customer Experience and Service Provision</u> We will foster an organisational culture focused on continuous improvement and delivering excellence in customer experience and service provision.
Responsible Officer(s):	Manager Financial Services
First Issued/Approved:	July 1996
Minutes Reference:	COS 3/08/2026, Item 4.2
Last Reviewed:	August 2026
Next Review Due:	August 2028
Applicable Legislation:	Fringe Benefits Tax Act 1986 Fringe Benefits Tax Assessment Act 1986
Related Policies:	Motor Vehicle Policy Motor Vehicle Policy – Remuneration Packaging Salary Sacrifice Policy
Related Procedures:	

1. Purpose

This Policy sets out Council's approach to identifying, recording, reporting and paying Fringe Benefits Tax (FBT) on benefits provided to employees or their associates in connection with employment.

2. Scope

This Policy applies to all benefits provided by, or on behalf of, Council to employees, former employees, future employees or their associates where those benefits may give rise to an FBT obligation.

3. Policy Statement

Council will comply with its FBT obligations by assessing benefits provided in respect of employment, applying available exemptions or concessions where appropriate, maintaining adequate records, lodging any required FBT return and paying any FBT liability by the due date.

Benefits that may attract FBT include, but are not limited to:

- private use of Council motor vehicles, including vehicles provided as part of remuneration packaging or salary sacrifice arrangements;
- salary sacrifice arrangements, other than concessional superannuation contributions;
- expense payments or reimbursements for private or partly private costs;
- entertainment, meals, events or hospitality provided to employees or their associates;
- car parking, where an FBT liability applies; and
- any other non-cash benefit provided because of employment.

The FBT year runs from 1 April to 31 March. Reportable fringe benefits will be reported through payroll in accordance with Australian Taxation Office requirements

Finance will coordinate the annual FBT review and prepare the FBT return for approval by the Manager Financial Services prior to lodgement.

Managers and employees must provide information required to identify and substantiate benefits, including vehicle use records, salary sacrifice documentation, invoices, receipts, declarations and any other evidence required by Finance.

FBT records will be retained for at least five years, or longer where required by Council's records management requirements.

4. Definitions

Key Term – Acronym	Definition
FBT	Fringe Benefits Tax, being tax paid by an employer on certain benefits provided to employees or their associates in respect of employment.
FBT year	The period from 1 April to 31 March.