

2017 FRINGE BENEFITS TAX - IMPORTANT INFORMATION

As you may be aware, the current Fringe Benefits Tax (FBT) year ends on 31 March 2017. If you employ any staff (including yourselves as business owners), we will need your assistance to ensure that your business is compliant with its FBT obligations.

What is FBT?

FBT is a tax levied on employers, based on the 'taxable value' of certain fringe benefits (generally 'non cash benefits') that an employee receives. This includes Directors, Owners and Associates.

FBT is a highly complex area of the tax law, and one that the ATO continues to devote significant resources to, to ensure businesses are compliant with their obligations.

Two examples of the more common types of benefits provided by employers include:- Use of a motor vehicle which is owned by the business, e.g. provision of a 'company car', Entertainment benefits, such as business lunches, dinners and Christmas parties.

It is **compulsory** for all employers to self-assess whether they have provided any fringe benefits during the year.

The quality of your record keeping is therefore critically important. Even if you do not consider you have provided any fringe benefits, the ATO may still ask you to present your records to prove as such.

Conversely, if you have provided fringe benefits to your employees, quality records will allow us to perform an accurate calculation and potentially offer recommendations to minimise your current and future FBT liability.

Don't Forget, if you have any business vehicles, you are required to record the Closing Odometer on **Thursday, 31 March, 2017**. You may or may not have done so on this date, if not please do so now for later inclusion in any detailed schedules.

Need More Information?

Should you have any questions in relation to any of the above information, please do not hesitate to contact our office on (03) 8899 6399 and speak to Melinda Kalkbrenner.
