

5.2 Excluded fringe benefits

Fringe benefits that are excluded from the reporting requirements are still subject to FBT.

You do not have to allocate the following excluded benefits to employees or report them on payment summaries. The benefits are excluded by provisions of the FBTA and the *Fringe Benefits Tax Assessment Regulations 2018* (the Regulations).

Excluded by subsection 5E(3) of the FBTA are:

entertainment by way of food and drink, and benefits associated with that entertainment, such as travel and accommodation (regardless of which category is used to value the benefit). However, if these benefits are provided under a salary packaging arrangement on or after 1 April 2016, they are not excluded from the reporting requirements

car parking fringe benefits (not including car parking expense payment benefits - refer to section 9.9)

hiring or leasing entertainment facilities such as corporate boxes. However, if these benefits are provided under a salary packaging arrangement on or after 1 April 2016, they are not excluded from the reporting requirements

remote area residential fuel where the value of the benefit is reduced in accordance with the conditions in section 19.2

remote area housing assistance where the value of the benefit is reduced in accordance with the conditions in section 19.2

remote area home ownership schemes where the value of the benefit is reduced in accordance with the conditions in section 19.2

remote area home repurchase schemes where the value of the benefit is reduced in accordance with the conditions in section 19.2

costs of occasional travel (being that which occurs from time to time and not at regular intervals) to a major Australian population centre by employees and their families living in a remote area

freight costs for food provided to employees living in a remote area

fringe benefits provided to address certain security concerns relating to the personal safety of an employee, or an associate of the employee, arising from the employee's employment.

Excluded by the Regulations pursuant to paragraph 5E(3)(i) of the FBTA are:

emergency or other essential health care provided to an employee or associate who is an Australian citizen or permanent resident, while the employee is working outside Australia and no Medicare benefit is payable

certain Australian Government overseas living allowance payments, for example, cost of living adjustment, post adjustment, child supplement, child reunion supplement

certain benefits provided to Defence Force members, for example, particular forms of housing assistance, reunion travel, assistance provided for removing and storing household effects, allowances paid to families with special needs, education assistance for children in critical years of schooling, elements of overseas living allowances, and removal expenses of a spouse due to marriage breakdown

certain benefits provided to police officers, for example, particular forms of housing assistance, assistance provided for removing and storing household effects, certain relocation assistance and certain car benefits arising from travel between home and work by police officers using unmarked police vehicles that are fitted with a police radio and concealed or portable warning lights and sirens

certain car benefits arising from travel between home and work by police officers, ambulance officers and fire fighters using marked emergency vehicles

from 1 April 2007, car benefits arising from an employee's private use of pooled or shared cars

living-away-from-home allowances provided to Commonwealth employees on or after 1 April 2012

taxable benefits provided on or after 1 April 2012 relating to accommodation provided to Commonwealth employees whose duties of employment require them to live away from their normal residence.

Pooled or shared cars

All of the following requirements must be met in order for the benefit to be an excluded benefit:

the benefit provided to the employee must be either a car fringe benefit or an exempt car benefit
there must be an additional use of the same car during the year which gives rise to a car fringe benefit or a exempt car benefit for a different employee
the employer must direct, or consent to, the use of the car by each employee.

In these circumstances, the car will be a 'pooled or shared car' during the FBT year and the reporting exclusion will apply to an employee's use of that car.

The use of a car can vary from year to year and accordingly the legislation requires that the conditions for the reporting exclusion for pooled or shared cars must be determined and met for each car and FBT year.