

Here's a list of key takeaways regarding Fringe Benefits Tax (FBT) compliance, according to the webinar transcript:

- **FBT compliance season is approaching.**
- The panel includes experts like James Trana, Stephanie Molino, Judy White, Ben Watkinson, and Peter Lonigan from the ATO.
- The session is recorded and will be sent to all registrants with a link to the slides.

Key Technical Updates for 2025:

- Plug-in hybrid electric vehicles may be FBT exempt if they meet specific conditions but this is due to cease on April 1, 2025, with an exception for financially binding commitments to provide private use before this date.
- From April 1, 2024, corporate records can be used for recordkeeping, but this doesn't apply to all fringe benefits in all situations.
- The FBT rate remains at 47%, keeping gross-up rates consistent with prior years.
- The statutory or benchmark interest rate has climbed to 8.77%.
- The car parking threshold is now \$10.77.
- The rebatable employer rate for not-for-profits remains at a 47% rebate.
- If lodging the return themselves, the due date for payment and lodgment is Wednesday, May 21st. If using a tax agent, the due date is Wednesday, June 25th.

ATO Insights and Compliance

- Employers often overlook FBT obligations.
- Employers should understand FBT and keep proper records from the start.
- Identify the benefit, determine the taxable value, lodge/report/pay, and keep records.
- The ATO uses data to identify employers not complying with FBT obligations.
- Common mistakes include not identifying benefits, not keeping adequate records, and errors related to car benefits.
- The ATO is focusing on employers who aren't reporting/paying FBT, those lodging nil returns when benefits are provided, and motor vehicle/dual cab Ute benefits.

Vehicle-Related Considerations

- For dual cab Utes, don't assume FBT exemption; consider private use.
- A valid log book is crucial for the operating cost method.
- There is a two-step process for identifying whether a vehicle is exempt from FBT.
- The first step involves identifying whether the vehicle is one of the types that may be eligible for exemption.

- The second step involves confirming that the private use of the vehicle is minor infrequent and irregular.
- The ATO has a practical compliance guideline (PCG) for exempt vehicles.
- Home to work travel is classified as business use.

Electric Vehicles (EVs)

- In-home EV chargers don't qualify for FBT exemption if salary packaged.
- EVs attract reporting obligations, needing a taxable value calculation.
- Secondhand EVs must be checked to see if LCT was previously payable.
- Employees charging EVs at home can claim 4.2 cents per kilometer reimbursement.
- Onsite charging for employees with car fringe benefits may qualify for exemption.

Additional Reminders

- Plug-in hybrid electric vehicles will no longer be classified as zero or low emission vehicles under the law from April 1st this year.
- The first FBT tax time when they have the option to use those existing corporate records instead of travel Diaries and some employee declarations for certain benefits.
- Correct mistakes ASAP to minimize penalties.
- Contact the ATO before the due date if having trouble with lodgment or payment.
- Start early and understand obligations to avoid issues.