

# 2021 FBT return checklist

When preparing your 2021 FBT return, the following checklist can be used as a general guide to identify the most common forms of fringe benefits.

Please select  
only one answer

1.	General FBT matters	Yes	No
1.1	<p>Have you applied the correct gross up rates to fringe benefits?</p> <p>Type 1 benefits: The Type 1 gross-up rate is applied when the provider is entitled to claim an input tax credit for the fringe benefit provided. The Type 1 gross-up rate for the 2021 FBT year is 2.0802</p> <p>Type 2 benefits: The Type 2 gross-up rate is applied when the provider is not entitled to claim an input tax credit for the fringe benefit provided. The Type 2 gross-up rate for the 2021 FBT year is 1.8868</p>		

## Reportable fringe benefits (RFB)

1.2 Have you determined the amount of fringe benefits (other than those that are not reportable) that are attributable to the employee and grossed these benefits up using the Type 2 gross-up rate?

Please note, this gross-up rate is used for RFB purposes regardless of whether the benefits are Type 1 or Type 2 benefits. Where the total taxable value of reportable fringe benefits exceeds \$2,000, the total grossed up amount must be reported on the employee's payment summary.

The following benefits are not reportable:

- Car parking
- Entertainment facility leasing (e.g. corporate boxes)
- Meal entertainment
- Shared or pooled cars

## After tax employee contributions

1.3 Have you reduced the taxable value of fringe benefits by the amount contributed by employees towards the cost of providing the fringe benefits?

1.4 Have you remitted one eleventh of after tax cash contributions as GST?

2.	Car fringe benefits	Yes	No
2.1	Have you identified all motor vehicles, whether leased or owned that were made available for the private use of any employees (i.e. actually used for private purposes including driving to and from work or garaged at the employee's home)?		
2.2	Have all odometer declarations been obtained from employees?		
2.3	Were there any days that a car was made unavailable for the private use of the employee? (A car is not available for private use where the employer has control of the keys to the vehicle)		

<b>2. Car fringe benefits</b>		<b>Yes</b>	<b>No</b>
2.4	Have the employees maintained a detailed log book for a continuous 12-week period (if applicable)?		
2.5	Have you made an election to value car fringe benefits using the operating cost method (if applicable)?		
2.6	<p>Do you have any exempt motor vehicles?</p> <p>Please note for a vehicle to be exempt from FBT, it must be:</p> <ul style="list-style-type: none"> <li>• A taxi, panel van or utility truck designed to carry a load of less than 1 tonne; or</li> <li>• Any other vehicle designed to carry a load of less than 1 tonne (other than one designed for the principal purpose of carrying passengers) and the only private use was:           <ul style="list-style-type: none"> <li>◦ Travel to and from work; and/or</li> <li>◦ Minor, infrequent and irregular</li> </ul> </li> </ul>		
2.7	Do you maintain adequate records to verify the usage of exempt vehicles?		
<b>3. Loan fringe benefits</b>		<b>Yes</b>	<b>No</b>
3.1	Have you provided loans or advances to your employees that are not for work related expenses?		
3.2	Is the employee obliged to repay the loan?		
3.3	Is interest being charged at less than the 2021 statutory interest rate of 4.80%?		
<b>4. Debt waiver fringe benefits</b>		<b>Yes</b>	<b>No</b>
4.1	Have you waived or forgiven a debt owed by an employee (or their associate) during the FBT year?		
4.2	Have any advances of salary or commission been forgiven on termination of employment?		
<b>5. Expense payment fringe benefits</b>		<b>Yes</b>	<b>No</b>
5.1	Have you identified all amounts that have been paid on behalf of employees or reimbursed to employees? (This may include but not limited to telephone expenses, insurance, school fees, internet, credit card repayments)		
5.2	Were any of these reimbursements in relation to business matters (e.g. business call on a home telephone account) which would have been tax deductible to the employee had they been paid by the employee?		
5.3	Have you considered whether the otherwise deductible rule can be applied to reduce the taxable value of fringe benefits?		
5.4	Can the employee substantiate the otherwise deductible percentage and has an employee declaration been provided?		
5.5	Has the minor fringe benefits exemption been applied to fringe benefits that have a cost of less than \$300 and which are provided on an infrequent and irregular basis?		

<b>6.</b>	<b>Housing fringe benefits</b>	<b>Yes</b>	<b>No</b>
6.1	Did you provide housing (which you own or lease) to an employee (or their associate) during the FBT year as the employee's usual place of residence?		
<b>7.</b>	<b>Living away from home fringe benefits</b>	<b>Yes</b>	<b>No</b>
7.1	Did any employees live away from home and were such employees paid a cash allowance to help meet additional costs for food and/or accommodation?		
7.2	Have the employees provided LAFH declaration?		
<b>8.</b>	<b>Board fringe benefits</b>	<b>Yes</b>	<b>No</b>
8.1	Were any employees provided with both accommodation and meals, under either an industrial award or employment agreement (and the meal is prepared on the employer's premises)?		
<b>9.</b>	<b>Property fringe benefits</b>	<b>Yes</b>	<b>No</b>
9.1	Were any employees provided with an item of property, free or at a discount (such as theatre tickets, gift vouchers, Christmas presents etc.)?		
9.2	Has the minor fringe benefits exemption been applied to fringe benefits that cost less than \$300 and are provided on an infrequent and irregular basis?		
<b>10.</b>	<b>Car parking</b>	<b>Yes</b>	<b>No</b>
10.1	Do you provide car parking to your employees?  A car parking fringe benefit arises in the following circumstances: <ul style="list-style-type: none"><li>• The car is parked on business premises of the employer or associated premises (i.e. lease spaces in a commercial car park)</li><li>• The car is parked for a total period of more than 4 hours between 7.00am and 7.00pm</li><li>• The employee uses the car to travel from home to work or work to home on that day</li><li>• The car is owned by or leased to the employee, or provided by the employer</li><li>• The parking space is at, or near the business premises</li><li>• There is a commercial parking station available within a one kilometer radius of your business premises that charges more than \$9.15 for all day parking</li></ul>		
10.2	Did you obtain the lowest all day rate to value car parking fringe benefits?		
10.3	Select the method you used to calculate the number of car parking benefits <ul style="list-style-type: none"><li>• Actual</li><li>• Statutory formula</li><li>• 12 week register</li></ul>		
10.4	Have you maintained adequate documentation to substantiate using either the actual or 12 week register methods (if applicable)?		

11.	Residual fringe benefits	Yes	No
11.1	Have all other residual fringe benefits been considered? (E.g. the receipt of services at a discount, the use of company assets for less than market consideration)		
11.2	Have you provided any entertainment by way of ‘recreation’ such as sports, other similar leisure activities and team-building activities?		
11.3	Has the minor fringe benefits exemption been applied to fringe benefits that cost less than \$300 and are provided on an infrequent and irregular basis?		
12.	Entertainment	Yes	No
12.1	Have you excluded all sustenance amounts, including meals provided to employees travelling for business purposes?		
12.2	Does the meal entertainment amount provided exclude recreational entertainment?		
12.3	Have you done a comparison between the available valuation methods to confirm the most cost effective method to apply to value meal entertainment?		
12.4	If using the 50/50 split method, have you ensured the total cost of all food and drink amounts provided to both employees and non-employees has been included in the calculation?		
12.5	If using the 50/50 split method, have you ensured the minor fringe benefit exemption and on premises property exemption has <b>not</b> been applied?		
12.6	If using the actual method, have you considered the minor fringe benefits exemption and on premises property exemption in your calculations?		

## Need assistance with your FBT return?

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