TD 93/D119 - Fringe benefits tax: if an employer refrains from claiming an income tax deduction for deductible expenditure incurred in providing a fringe benefit to an employee, is the employer relieved from any fringe benefits tax liability which exists in the circumstances?

This cover sheet is provided for information only. It does not form part of *TD 93/D119 - Fringe benefits tax: if an employer refrains from claiming an income tax deduction for deductible expenditure incurred in providing a fringe benefit to an employee, is the employer relieved from any fringe benefits tax liability which exists in the circumstances?*

This document has been finalised by TD 94/42.

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Draft Taxation Determinations (TDs) represent the preliminary, though considered, views of the ATO. Draft TDs may not be relied on; only final TDs are authoritative statements of the ATO.

Draft Taxation Determination

Fringe benefits tax: if an employer refrains from claiming an income tax deduction for deductible expenditure incurred in providing a fringe benefit to an employee, is the employer relieved from any fringe benefits tax liability which exists in the circumstances ?

1. No. Fringe benefits tax is imposed on the taxable value of fringe benefits provided to employees of the taxpayer (or their associates). The *Fringe Benefits Tax Assessment Act 1986* defines the classes of fringe benefits which are subject to the tax and describes the calculation of the relevant taxable values.

2. Whether the employer obtains a tax deduction for expenditure incurred in providing a fringe benefit is irrelevant in determining the status of the benefit under the Act or in the calculation of its taxable value.

Commissioner of Taxation
20/5/93

FOI INDEX DETAIL: Reference No.
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Related Rulings:
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