

# ***IT 2644 - Income Tax: Reasonable allowances for the year ended 30 June 1992***

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**This Ruling incorporates the corrections made by the errata and addendum listed below:**

| <u>Erratum/Addendum</u> | <u>Date Issued</u> |
|-------------------------|--------------------|
| Erratum (no.1)          | 4 July 1991        |
| Erratum (no.2)          | 18 July 1991       |
| Addendum                | 1 August 1991      |

NO Ref.: 91/5500-7 Date of effect: Immediate

BO Ref: Date original memo issued:

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FOI INDEX DETAIL

Reference no.: Subject refs: Legislative refs:

|                  |                                 |              |
|------------------|---------------------------------|--------------|
| <b>I 1012756</b> | <b>MEAL ALLOWANCES</b>          | <b>51AE</b>  |
|                  | <b>OVERTIME MEAL ALLOWANCES</b> | <b>82KU</b>  |
|                  | <b>TRAVEL ALLOWANCES</b>        | <b>82KZ</b>  |
|                  | <b>TRUCK DRIVER ALLOWANCES</b>  | <b>82KZA</b> |

OTHER RULINGS ON THIS TOPIC: IT 2326, 2327, 2368, 2595, 2599, 2601

**TITLE: INCOME TAX: REASONABLE ALLOWANCES FOR THE YEAR ENDED 30 JUNE 1992**

NOTE:

- . Income Tax Rulings do not have the force of law.
- . Each decision made by the Australian Taxation Office is made on the merits of each individual case having regard to any relevant Ruling.

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### PREAMBLE

This Ruling, which consolidates and updates Taxation Rulings IT 2469, IT 2595, IT 2596, IT 2599 and IT 2601, outlines the amounts of certain allowances which the Commissioner will treat as reasonable within the meaning of subsections 82KZ(4) and (5) of the Income Tax Assessment Act 1936 (the Act). The Ruling updates those earlier Taxation Rulings by indicating the amounts of allowances which are considered to be reasonable allowances for substantiating relevant expenses incurred in the income year ending 30 June 1992.

2. Under sections 82KZ and 82KZA of the Act an income tax deduction is not allowable after 30 June 1986 in respect of an "eligible expense" in relation to a meal allowance or travel allowance, "employment-related expense" or a travel expense unless documentary evidence of the expense has been obtained and retained by the taxpayer. Broadly speaking, documentary evidence of an expense is a receipt, invoice or similar document that sets out particulars (as specified in section 82KU sufficient to substantiate the amount of the deduction claimed and the nature of the expense. Where expenses are incurred in respect of extended domestic travel expenses, a further condition of deduction is that a diary or similar document be kept of the business activities that took place during the course of travel (subsections 82KZ(2) and (3)).

3. Subsections 82KZ(4) and (5) of the Act provide that the substantiation requirements relating to overtime meal expenses, domestic travel expenses and overseas travel expenses do not apply where the taxpayer has received an allowance in respect of those expenses (whether or not the allowance was paid under an industrial instrument) and the Commissioner of Taxation considers the allowance to be reasonable. In those circumstances, provided the taxpayer's claim for a deduction does not exceed the amount of the allowance, the substantiation requirements in sections 82KZ and 82KZA do not have to be satisfied.

### Reasonable overtime meal allowances

4. Paragraph 51AE(5)(j) of the Act provides that the cost of overtime meals incurred by an employee is tax deductible where the employee receives an overtime meal allowance under the provisions of an "industrial instrument", i.e., a law or an award, determination or industrial agreement in force under a law. However, deductibility is subject to the substantiation provisions.

5. As a general principle, an overtime meal allowance will be treated as reasonable where the rate of the allowance has been set by reference to a survey of actual costs of meals in a range of establishments where meals could be purchased and consumed during the overtime meal break. That is, the allowance should be set so as to fairly compensate an employee for the average cost of such a meal, on the basis that, when the meal is purchased, the employee would be neither out of pocket nor able to retain appreciable amounts of unspent allowance.

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6. Against that background, and having regard to a range of overtime meal allowances payable under existing industrial awards, overtime meal allowances up to an amount of \$15 per meal received during the financial year ending June 1992 will be treated as reasonable.

Reasonable domestic travel allowances

7. As a general principle, a travel allowance will be treated as reasonable where the rate of allowance has been set by reference to actual costs of accommodation and meals in a range of establishments in capital cities, metropolitan areas and country districts, as relevant to the case. This information is used to arrive at an average daily rate which would fairly compensate an employee for the cost of food, accommodation and incidentals, having regard to the status and salary level of that employee. In this context, fair compensation would be an amount - based on average charges in the surveyed establishments - that would enable the employee to avoid being out of pocket but make it unlikely that the allowance would, to any appreciable extent, not be expended on the costs for which it was paid.

8. Against that background, it was accepted in Taxation Ruling IT 2327 that the rates of travel allowances set for members of the Australian Public Service (APS) would be treated as reasonable. In concluding that such allowances are at acceptable levels, it was recognised that APS travel allowances are based on an analysis of data obtained from annual surveys of accommodation and meal costs in capital cities and other regional centres. The resultant allowances reflect average costs of each item in each centre, excluding costs of sub-standard establishments, on the one hand and costs in specific high cost (usually remote) areas on the other.

9. Where the APS employee undertakes travel requiring an overnight stay, the travel allowances payable are as follows:

Annual Salary Range \$57,679 - \$96,590

| <u>Place</u>    | <u>Accommodation</u> | <u>Food &amp; Drink</u> | <u>Incidentals</u> | <u>Total</u> |
|-----------------|----------------------|-------------------------|--------------------|--------------|
|                 | \$                   | \$                      | \$                 | \$           |
| Sydney          | 147                  | 59                      | 15                 | 221          |
| Melbourne       | 115                  | 59                      | 15                 | 189          |
| Brisbane        | 102                  | 59                      | 15                 | 176          |
| Canberra        | 84                   | 59                      | 15                 | 158          |
| Adelaide        | 85                   | 59                      | 15                 | 159          |
| Darwin          | 79                   | 59                      | 15                 | 153          |
| Hobart          | 73                   | 59                      | 15                 | 147          |
| Perth           | 79                   | 59                      | 15                 | 153          |
| High Cost       |                      |                         |                    |              |
| Country Centres | *(see notes)         | 59                      | 15                 | *            |
| Tier 2 Country  |                      |                         |                    |              |
| Centres #       | 60                   | 47                      | 15                 | 122          |
| Other Country   |                      |                         |                    |              |
| Centres         | 49                   | 47                      | 15                 | 111          |

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Annual Salary Below \$57,679

| <u>Place</u>    | <u>Accommodation</u> | <u>Food &amp; Drink</u> | <u>Incidentals</u> | <u>Total</u> |
|-----------------|----------------------|-------------------------|--------------------|--------------|
|                 | \$                   | \$                      | \$                 | \$           |
| Sydney          | 111                  | 50                      | 11                 | 172          |
| Melbourne       | 86                   | 50                      | 11                 | 147          |
| Brisbane        | 77                   | 50                      | 11                 | 138          |
| Canberra        | 63                   | 50                      | 11                 | 124          |
| Adelaide        | 64                   | 50                      | 11                 | 125          |
| Darwin          | 60                   | 50                      | 11                 | 121          |
| Hobart          | 55                   | 50                      | 11                 | 116          |
| Perth           | 60                   | 50                      | 11                 | 121          |
| High Cost       |                      |                         |                    |              |
| Country Centres | *(see notes)         | 50                      | 11                 | *            |
| Tier 2 Country  |                      |                         |                    |              |
| Centres #       | 50                   | 43                      | 11                 | 104          |
| Other Country   |                      |                         |                    |              |
| Centres         | 41                   | 43                      | 11                 | 95           |

Notes

- \* Amount varies for each individual centre - refer to paragraph 11 for centres and amounts.
- # Refer to paragraph 11 for list of centres.

10. Daily travel allowances - whether paid to APS members or other public or private sector employees - that do not exceed APS daily rates by more than \$5 per day according to the salary ranges shown above, may be treated as reasonable travel allowances. In this context, salary is to be taken as cash salary exclusive of allowances and non-cash fringe benefits.

11. High Cost Country Centres - Accommodation Expenses

| <u>Country Centre</u> | \$  | <u>Country Centre</u> | \$  |
|-----------------------|-----|-----------------------|-----|
| Broome                | 69  | Norfolk Island        | 92  |
| Burnie                | 61  | Paraburdoo            | 84  |
| Dampier               | 70  | Pt Hedland            | 67  |
| Exmouth               | 62  | Tom Price             | 59  |
| Jabiru                | 119 | Weipa                 | 80  |
| Kalgoorlie            | 58  | Wickham               | 55  |
| Karratha              | 75  | Wilpena               | 72  |
| Kununurra             | 67  | Wollongong            | 64  |
| Marla                 | 56  | Wyndham               | 65  |
| Newman                | 81  | Yulara                | 168 |
| Nhulunbuy             | 123 |                       |     |

Tier 2 Country Centres

| <u>Country Centre</u> | <u>Country Centre</u> |
|-----------------------|-----------------------|
| Albury                | Katanning             |
| Alice Springs         | Katherine             |
| Bathurst              | Launceston            |
| Bendigo               | Leeton                |
| Broken Hill           | Maitland              |

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Country Centre (cont)

Cairns  
Carnarvon  
Ceduna  
Cootamundra  
Derby  
Devonport  
Dubbo  
Geraldton  
Gosford  
Halls Creek

Country Centre (cont)

Mount Magnet  
Mudgee  
Newcastle  
Orange  
Port Pirie  
Queenstown  
Sale  
Tamworth  
Tennant Creek  
Wagga Wagga

Part-day travel

12. In certain circumstances APS employees may be paid an allowance in respect of travel which requires them to be absent from their headquarters on official business for not less than 10 hours but an overnight absence is not required. APS travel allowances for part-day travel are:

| <u>Annual Salary Range</u> | <u>Allowance</u> |
|----------------------------|------------------|
| \$57,679 - 96,590          | \$39             |
| Below \$57,679             | \$29             |

Employees with an annual salary above \$96,590

13. For employees who receive an annual salary of more than \$96,590, it is accepted (in line with the approach adopted in Taxation Ruling No. IT 2327) that daily travel allowances set on an independent annual review by the Remuneration Tribunal can be taken as a benchmark. The Tribunal enquires into the allowances paid to Ministers, other Members of Parliament, officers of the Parliament and public office holders such as Secretaries of Departments and takes into account price movements relevant to the kinds of expenditures for which the allowances are paid. In line with the principles laid down in paragraphs 7 and 8, daily travel allowances paid to employees that do not exceed the allowances set by the Remuneration Tribunal for equivalent salary ranges (i.e., cash salary as defined in paragraph 10) may be treated as reasonable travel allowances within the meaning of subsection 82KZ(4). The following rates may be used as a guide:

| <u>Salary Range</u>  | <u>Overnight</u>    |              | <u>Part-day</u> |
|----------------------|---------------------|--------------|-----------------|
|                      | <u>Capital City</u> | <u>Other</u> |                 |
| \$96,590 - \$180,733 | \$300               | \$155        | \$45            |

14. While the rates of allowances indicated at paragraphs 9 and 13 as being within reasonable limits will cover most situations, there may be particular cases where higher rates of allowance can be accepted as reasonable. For example, the Remuneration Tribunal has set higher rates than those at paragraph 13 as appropriate for certain office-holders.

Unvouched travel expenses for long distance truck drivers  
- Employee truck drivers

15. In the case of a daily travel allowance received by employee long distance truck drivers, an amount up to the food and drink component of the APS travel allowance payable in respect of "Other Country Centres" outlined in paragraph 9 (namely, \$43 for salaries below \$57,679 and \$47 for salaries of more than \$57,679) will be treated as reasonable.

16. It follows from the substantiation provisions that where an employee driver is able to substantiate that higher expenses have been incurred, the additional amount may be claimed. However, where an amount above the relevant ceiling amount in paragraph 15 is claimed, the full amount of the claim must be substantiated. If an employee long distance truck driver receives a travel allowance for food and drink of less than the rate set in paragraph 15, a deduction up to the amount of the allowance received may be claimed without the need for substantiation. Also, where an employee driver who has incurred the expenditure in respect of accommodation whilst away from home is able to substantiate that expenditure, a deduction may be claimed for that expenditure.

No Travel Allowance received

17. Subsection 82KZ(4) only gives the Commissioner the authority to form an opinion on the reasonableness of likely expenses in circumstances where a travel allowance is paid. The Commissioner therefore has no power to waive the substantiation requirements where an employee is not paid a travel allowance. This means that any claim made by an employee who does not receive any allowance must be substantiated. Where, however, it is impracticable for taxpayers to obtain receipts for various small amounts expended on food and drink, it will be sufficient substantiation if particulars of the amounts are evidenced in a diary or similar record and the total expenditure claimed for food and drink, including any amounts covered by receipts, does not exceed the rates set in paragraph 15. Such expenses are deemed undocumentable and the \$200 limit in subsection 82KU(7), which applies to small expenses does not apply to these undocumentable expenses. Claims made by employees that exceed the rates set in paragraph 15 must be substantiated in full.

Owner-drivers

18. As owner-drivers engaged in long distance trucking do not receive travel allowances, the above Ruling is not directly applicable to them. The substantiation requirements of the law referred to in paragraph 2 apply where owner-drivers are away from home for a period extending for more than five nights. As there will be situations in which it is impracticable for such owner-drivers to obtain receipts for various small amounts expended on food and drink, it will be sufficient substantiation if particulars of the amounts are evidenced in a diary or similar record and the total expenditure claimed for food and drink,

including any amounts covered by receipts does not exceed \$47 per day.

Reasonable overseas travel allowances

19. As a general principle, the food, drink and incidentals component of an overseas travel allowance will be treated as reasonable, where the rate of that component has been set by reference to the actual costs of food, drink and incidentals in a range of establishments at specific overseas locations. The average daily rate calculated under this method would fairly compensate an employee for the cost of food, drink and incidentals having regard to the salary and status of that employee. In this context, fair compensation would be an amount that would enable the employee to avoid being out of pocket but make it unlikely that the allowance would, to any appreciable extent, not be expended on the costs for which it was paid. The rates of overseas travel allowance from time to time paid to members of the Australian Public Service (APS) and public office holders are accepted as meeting these requirements.

20. Where the food, drink and incidentals component of an overseas travel allowance does not exceed the rates of overseas travel allowance paid to members of the APS and public office holders for short term travel, that component of the overseas travel allowance will be treated as reasonable.

21. The Department of Foreign Affairs and Trade, through its network of foreign posts, conducts annual surveys of the costs of food, drink and other incidental expenses that a person travelling to a wide range of locations could be expected to incur. The surveys provide a detailed basis on which a daily rate of travel allowance appropriate for those overseas locations may be established. The Department of Industrial Relations compiles the surveys to provide rates of overseas travel allowances that may be payable to members of the APS and a wide range of public office holders.

22. These rates are detailed in the APS "Personnel Management Manual, Volume 9 Schedule 2/C/A." Schedule 2/C/A comprises 3 parts: A, B and C which deal with overseas travel allowances paid to Secretaries of Departments, Senior Executive Service officers and other officers respectively. The annual surveys undertaken by the Department of Foreign Affairs and Trade are not completed at the same time in each location surveyed. As a result, Schedule 2/C/A is updated on a fortnightly basis so as to incorporate, on a regular basis, any new rates that may be established for a location as they become available. The Schedule is updated in a microfiche format and is available on an annual subscription basis from the Australian Government Publishing Service, GPO Box 84, CANBERRA ACT 2601, Telephone No. (06) 295 4488.

23. The rates of overseas travel allowance (current as at 31 May 1991) payable to members of the APS and public office holders are set out in Schedule A to this Ruling. These rates are extracted from Parts A, B and C of Schedule 2/C/A (as explained in paragraph 22). The rates of allowances contained in Schedule A are paid



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according to the salary and status of the recipient. In the context of this Ruling, salary is to be taken as cash salary exclusive of allowances and non-cash fringe benefits. As the allowances paid in Schedule 2/C/A are described using titles of the relevant employee, equivalent salary ranges have been determined to enable the more convenient calculation of the rate of allowance for a particular employee. Schedule A contains Meal and Incidental Allowance rates as follows:-

- Column 1 = Applicable to Secretaries of Departments and to employees whose salary exceeds \$96590 per annum.
- Column 2 = Applicable to Senior Executive Service officers and to employees whose salary is in the range \$57679 to \$96590 per annum.
- Column 3 = Applicable to other officers and to employees whose salary is less than \$57679 per annum.

24. Where an employee travels to a location for which the rate of overseas travel allowance paid to members of the APS and public office holders does not contain a component for food and drink (meals), a reasonable amount for meals may be added to the incidentals component payable to that employee. For the purposes of this Ruling, a reasonable amount for meals that may be added to the incidentals component of an overseas travel allowance rate, is an amount not exceeding by more than \$5 (Australian) the amount of the meals component of the travel allowance paid to members of the APS and public office holders depending on their salary and status, for travel within Australia. The current meals components of the domestic travel allowances paid to these employees are as follows :

- . Secretaries of Departments \$63 per day  
(salary in excess of \$96590 per annum)
- . Senior Executive Service officers \$59 per day  
(salary in range \$57679 to \$96590 per annum)
- . Other officers \$50 per day  
(salary less than \$57679 per annum)

25. The requirement to add a reasonable meal component to the rate of overseas travel allowance at present will only apply where the employee travels to:

- (i) 'Sudan'; or
- (ii) 'other countries' (i.e., a location not specifically described in the Schedule attached to this Ruling).

26. EXAMPLE 1

An employee travels to Italy on business and is paid a travel allowance of \$350 per day (\$150 for meals and incidentals and \$200 for accommodation).

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The employee's annual salary is \$60,000 and, at the time of travel, the exchange rate is 928 lira equals one Australian dollar (\$A1).

Calculation of the reasonable daily overseas travel allowance:

- (1) At a salary of \$60,000 p.a. the daily meals and incidentals allowance payable for Italy is 145,545 lira.
- (2) Converting the lira allowance to Australian dollars at the exchange rate prevailing at the time of travel provides the reasonable daily overseas travel allowance

$$\frac{145,545}{928} = \$A156.84$$

As the employee is receiving a meal and incidentals allowance of \$150 per day which is less than the reasonable amount of \$156.84 per day, the employee will not need to substantiate expenditure on meals and incidental expenses.

The employee will be required, however, to maintain a travel diary and to keep receipts or other documentary evidence to substantiate accommodation expenses.

EXAMPLE 2

An employee travels to the Sudan on business and is paid a travel allowance of \$300 per day to pay for meals, incidentals and accommodation.

The employee's annual salary is \$33,000 and the exchange rate at the time of travel is .4609 pounds equals \$A1.

Calculation of the reasonable daily overseas travel allowance:

- (1) At a salary of \$33,000 p.a. the incidentals allowance payable for the Sudan is 34.5 pounds. (There is no meals component).
- (2) Convert the incidental allowance to Australian dollars at the exchange rate prevailing at the time of travel:

$$\frac{34.5}{.4609} = \$A74.85$$

- (3) Add to this the relevant meals component amount (described at paragraph 24): \$50
- (4) The resulting total of \$124.85 is the reasonable daily travel allowance for the Sudan at the time of travel.

As the travel allowance paid to the employee does not specify the components of the allowance, the employee may be entitled to claim not more than \$A124.85 per day for meals (i.e., food and drink)

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and will be required to substantiate any accommodation costs claimed against the allowance.

27. A deduction in excess of the reasonable meal and incidentals allowance, and substantiated accommodation expenses will not be allowable unless the employee obtains and keeps adequate receipts or other documentary evidence to substantiate all expenditure claimed against the allowance received. Whilst the rates of overseas allowances payable to members of the APS and public office holders are considered reasonable and will cover most cases, there may be cases where higher rates of allowance can be accepted as reasonable.

COMMISSIONER OF TAXATION  
28 June 1991

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SCHEDULE A

Meal and Incidental Allowances

- Column 1 = Applicable to Secretaries of Departments and to employees whose salary exceeds \$96590 per annum.  
Column 2 = Applicable to Senior Executive Service officers and to employees whose salary is in the range \$57679 to \$96590 per annum.  
Column 3 = Applicable to other officers and to employees whose salary is less than \$57679 per annum.

|                   | <u>Column 1</u> | <u>Column 2</u> | <u>Column 3</u> | <u>Currency</u> |
|-------------------|-----------------|-----------------|-----------------|-----------------|
| ALGERIA           | 892             | 671             | 610             | Dinar           |
| ARGENTINA         | 89              | 67              | 61              | US\$            |
| AUSTRIA           | 1674            | 1259            | 1145            | Schill          |
| BAHRAIN           | 44              | 33              | 30              | Dinar           |
| BANGLADESH        | 2575            | 1936            | 1760            | Taka            |
| BELGIUM (note a)  | 3998            | 3006            | 2732            | BF              |
| BRAZIL (note a)   | 103             | 78              | 71              | US\$            |
| BRUNEI            | 182             | 137             | 125             | B\$             |
| BULGARIA (note a) | 50              | 37              | 34              | US\$            |
| CANADA            | 106             | 80              | 72              | C\$             |
| CHILE             | 57              | 43              | 39              | US\$            |
| CHINA (mainland)  | 321             | 242             | 220             | Yuan            |
| CHINA (elsewhere) | 127             | 96              | 87              | US\$            |
| COOK ISLANDS      | 133             | 100             | 91              | \$NZ            |
| CYPRUS            | 45              | 34              | 31              | Pound           |
| CZECHOSLOVAKIA    | 1466            | 1102            | 1002            | Kcs             |
| DENMARK           | 945             | 711             | 646             | Krone           |
| EGYPT             | 149             | 112             | 101             | Pound           |

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SCHEDULE A (Cont)

|  |        |        |        |         |
|--|--------|--------|--------|---------|
| ETHIOPIA                               | 165    | 124    | 112    | Birr    |
| FIJI                                   | 109    | 82     | 75     | F\$     |
| FINLAND (note a)                       | 576    | 433    | 393    | Markka  |
| FRANCE                                 | 960    | 722    | 657    | Franc   |
| FRENCH POLYNESIA                       | 16195  | 12177  | 11070  | CFP Fr  |
| GERMAN DEMOCRATIC<br>REPUBLIC (note a) | 179    | 134    | 115    | DM      |
| GERMAN FEDERAL<br>REPUBLIC (note a)    | 178    | 134    | 122    | DM      |
| GHANA                                  | 67.20  | 50.40  | 47.90  | US\$    |
| GREECE                                 | 22119  | 16631  | 15119  | Drachma |
| HONG KONG                              | 786    | 591    | 537    | HK\$    |
| HUNGARY (note a)                       | 3670   | 2759   | 2508   | Forint  |
| ICELAND                                | 8996   | 6764   | 6149   | Kronur  |
| INDIA(New Delhi)                       | 867    | 652    | 593    | Rupee   |
| INDIA (elsewhere)                      | 818    | 615    | 559    | Rupee   |
| INDONESIA (Galang)                     | 107    | 80     | 73     | S\$     |
| INDONESIA (Jakarta)                    | 193351 | 145377 | 132161 | Rupiah  |
| INDONESIA (elsewhere)                  | 146010 | 109782 | 99802  | Rupiah  |
| IRAN                                   | 17208  | 12938  | 11762  | Rial    |
| IRAQ                                   | 47     | 35     | 32     | Dinar   |
| IRELAND                                | 54     | 40     | 36     | Punt    |
| ISRAEL                                 | 125    | 94     | 86     | US\$    |
| ITALY                                  | 193575 | 145545 | 132314 | Lira    |
| JAMAICA                                | 830    | 624    | 567    | J\$     |

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SCHEDULE A (Cont)

|                         |       |       |       |         |
|-------------------------|-------|-------|-------|---------|
| JAPAN                   | 22131 | 16640 | 15127 | Yen     |
| JORDAN                  | 63    | 47    | 43    | Dinar   |
| KENYA                   | 1170  | 880   | 800   | Shill   |
| KIRIBATI                | 61    | 46    | 42    | \$A     |
| KOREA, Republic of      | 86127 | 64757 | 58870 | Won     |
| KUWAIT                  | 30.09 | 22.63 | 20.57 | Dinar   |
| LAOS                    | 31.50 | 23.63 | 21.84 | US\$    |
| LUXEMBOURG              | 4383  | 3295  | 2995  | LF      |
| MALAYSIA (Bidong)       | 83.30 | 62.68 | 58.88 | M\$     |
| MALAYSIA (Kuala Lumpur) | 248   | 187   | 170   | M\$     |
| MALAYSIA (elsewhere)    | 128   | 96    | 89.55 | M\$     |
| MALTA                   | 29    | 22    | 20    | Lira    |
| MARSHALL ISLANDS        | 64    | 48    | 43    | US\$    |
| MAURITIUS (note a)      | 1059  | 796   | 724   | Rupee   |
| MEXICO                  | 72    | 54    | 49    | US\$    |
| MICRONESIA              | 44    | 44    | 40    | US\$    |
| MYANMAR                 | 58    | 49    | 44    | US\$    |
| NAMIBIA                 | 166   | 125   | 113   | Rand    |
| NAURU                   | 49    | 37    | 34    | \$A     |
| NEPAL                   | 1301  | 978   | 889   | Rupee   |
| NETHERLANDS (note a)    | 183   | 138   | 126   | Guilder |
| NEW CALEDONIA           | 12579 | 9458  | 8598  | CFP Fr  |
| NEW ZEALAND             | 154   | 116   | 106   | \$NZ    |
| NIGERIA                 | 346   | 260   | 236   | Naira   |

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SCHEDULE A (Cont)

|                          |        |        |        |        |
|--------------------------|--------|--------|--------|--------|
| NORWAY (note a)          | 856    | 643    | 584    | Kroner |
| OMAN                     | 43     | 32     | 29     | Rial   |
| PAKISTAN                 | 1064   | 800    | 728    | Rupee  |
| PAPUA NEW GUINEA         | 89     | 67     | 61     | Kina   |
| PARAGUAY                 | 43.35  | 33.55  | 30.90  | US\$   |
| PERU                     | 63     | 47     | 43     | US\$   |
| PHILIPPINES              | 1699   | 1277   | 1160   | Peso   |
| POLAND (note a)          | 17     | 13     | 11     | US\$   |
| PORTUGAL                 | 12458  | 9367   | 8515   | Escudo |
| QATAR                    | 344.45 | 258.35 | 233.70 | Riyal  |
| ROMANIA (note a)         | 42     | 31     | 28     | US\$   |
| SAUDI ARABIA (Riyadh)    | 431    | 324    | 294    | Riyal  |
| SAUDI ARABIA (elsewhere) | 409    | 308    | 280    | Riyal  |
| SINGAPORE                | 178    | 134    | 122    | S\$    |
| SOLOMON ISLANDS          | 113    | 85     | 77     | SI\$   |
| SOUTH AFRICA             | 149    | 112    | 102    | Rand   |
| SPAIN                    | 16890  | 12699  | 11544  | Peseta |
| SRI LANKA                | 1832   | 1378   | 1253   | Rupee  |
| SUDAN                    | 50.67  | 38     | 34.50  | Pound  |
| SWEDEN (note a)          | 910    | 684    | 622    | Krona  |
| SWITZERLAND              | 215    | 162    | 147    | Franc  |
| SYRIA                    | 3122   | 2347   | 2134   | Pound  |
| TANZANIA                 | 2822   | 2122   | 1929   | Shill  |
| THAILAND                 | 2481   | 1866   | 1696   | Baht   |

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SCHEDULE A (Cont.)

|                                  |       |       |       |         |
|----------------------------------|-------|-------|-------|---------|
| TONGA                            | 75    | 56    | 50    | Pa'anga |
| TUNISIA                          | 67    | 50    | 45    | Dinar   |
| TURKEY                           | 123   | 93    | 85    | US\$    |
| USSR                             | 60.90 | 44.80 | 40    | US\$    |
| UNITED ARAB<br>EMIRATES (note a) | 410   | 308   | 280   | Dirham  |
| UNITED KINGDOM                   | 65    | 49    | 45    | Pound   |
| USA (note b)<br>Chicago          | 114   | 86    | 78    | US\$    |
| USA<br>Guam                      | 111   | 83    | 75    | US\$    |
| USA (note b)<br>Honolulu         | 105   | 79    | 71    | US\$    |
| USA (note b)<br>Houston          | 92    | 69    | 63    | US\$    |
| USA (note b)<br>Los Angeles      | 124   | 93    | 84    | US\$    |
| USA (note b)<br>Miami            | 84.25 | 63.18 | 58.22 | US\$    |
| USA (note b)<br>New York         | 153   | 115   | 105   | US\$    |
| USA (note b)<br>St Louis         | 95    | 71    | 65    | US\$    |
| USA (note b)<br>San Francisco    | 113   | 85    | 77    | US\$    |
| USA (note b)<br>Stratford        | 103   | 77    | 70    | US\$    |
| USA (note b)<br>Washington D.C.  | 102   | 77    | 70    | US\$    |
| URUGUAY                          | 46.29 | 34.72 | 32.07 | US\$    |
| VANUATU                          | 9015  | 6778  | 6162  | Vatu    |



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SCHEDULE A (Cont)

|                               |      |      |       |        |
|-------------------------------|------|------|-------|--------|
| VENEZUELA                     | 55   | 41   | 37    | US\$   |
| VIETNAM<br>(Ho Chi Minh City) | 31   | 23   | 21    | US\$   |
| VIETNAM (elsewhere)           | 25   | 19   | 17    | US\$   |
| WESTERN SAMOA                 | 118  | 89   | 81    | Tala   |
| YUGOSLAVIA (note a)           | 66   | 49   | 44    | US\$   |
| ZAMBIA                        | 2378 | 1788 | 1626  | Kwacha |
| ZIMBABWE (note a)             | 69   | 52   | 47    | Z\$    |
| OTHER COUNTRIES               | 36   | 27   | 24.50 | \$A    |

Notes:

- (a) The cost of accommodation at this locality includes breakfast. The amount specified for meals is for lunch and dinner only.
- (b) Rates of Allowance to be Applied Outside Listed Cities of The United States of America

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| State to which<br>employee is travelling   | Apply rate of<br>allowance as for - |
|--|-------------------------------------|
| Alabama, Arkansas, Delaware,<br>District of Columbia, Georgia,<br>Kentucky, Louisiana, Maryland,<br>Mississippi, North Carolina,<br>South Carolina, Tennessee,<br>Virginia, West Virginia. | Washington (D.C.)                   |
| New York State.  | New York                            |
| Connecticut, Maine, Massachusetts,<br>New Hampshire, New Jersey,<br>Pennsylvania, Rhode Island, Vermont.   | Stratford                           |
| Missouri.  | St Louis                            |

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SCHEDULE A (Cont)

Alaska, Illinois, Indiana, Iowa,  
Michigan, Minnesota, Ohio, Wisconsin.

Chicago

California (North of 36th Parallel),  
Colorado, Idaho, Kansas, Montana,  
Nebraska, Nevada, North Dakota, Oregon,  
South Dakota, Utah, Washington, Wyoming.

San Francisco

California, (South of 36th Parallel).

Los Angeles

Florida.

Miami

Arizona, New Mexico, Oklahoma, Texas.

Houston

Hawaii.

Honolulu

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ERRATUM

TAXATION RULING IT 2644

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Page 3, paragraph 9, following the headings, the 5th last line should read:

Annual Salary Range \$57,679 - \$96,590

| <u>Place</u>                 | <u>Accommodation</u><br>\$ | <u>Food &amp; Drink</u><br>\$ | <u>Incidentals</u><br>\$ | <u>Total</u><br>\$ |
|------------------------------|----------------------------|-------------------------------|--------------------------|--------------------|
| High cost<br>Country Centres | *(see notes)               | 59                            | 15                       | *                  |

COMMISSIONER OF TAXATION

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ERRATUM NO. 2

TAXATION RULING IT 2644

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The purposes of this erratum are to:

- (i) ensure that consistent effect is given to previous Taxation Rulings concerning reasonable allowances;
- (ii) clarify the year of income for which Taxation Ruling IT 2644 is to apply;
- (iii) amend errors in the table of country centres at page 5 of the Ruling; and
- (iv) alter an incorrect figure in Schedule A to the Ruling.

Taxation Rulings IT 2599 and IT 2601 each stated that the Ruling applies for the years ended 30 June 1990 and 30 June 1991. It has been decided that Taxation Rulings IT 2595 and IT 2596 will also apply for the year ended 30 June 1991. Consequently, Taxation Ruling IT 2644 will apply for the year ended 30 June 1992.

The following changes apply to IT 2644.

1. The title - Reasonable Allowances for the year ended 30 June **1992**.
2. Paragraph 1 of the Preamble - ..... in the income year ending 30 June **1992**.
3. Paragraph 6 - ..... year ending 30 June **1992**.
4. Paragraph 11 - in the list of Tier 2 Country Centres insert the name **Derby** between Cootamundra and Devonport. Also Tamorth should read **Tamworth**.
5. At page 12, Schedule A to the Ruling, the figure in column 3 for Iran should read **11762** instead of 117620.

COMMISSIONER OF TAXATION  
18 July 1991

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