



TD 93/41 - Fringe benefits tax: living away from home allowance benefits : what is the reasonable food component for expatriate employees?

 This cover sheet is provided for information only. It does not form part of *TD 93/41 - Fringe benefits tax: living away from home allowance benefits : what is the reasonable food component for expatriate employees?*

 This document has changed over time. This is a consolidated version of the ruling which was published on *18 March 1993*

This Determination, to the extent that it is capable of being a 'public ruling' in terms of Part IVAAA of the *Taxation Administration Act 1953*, is a public ruling for the purposes of that Part. Taxation Ruling TR 92/1 explains when a Determination is a public ruling and how it is binding on the Commissioner. Unless otherwise stated, this Determination applies to years commencing both before and after its date of issue. However, this Determination does not apply to taxpayers to the extent that it conflicts with the terms of a settlement of a dispute agreed to before the date of issue of the Determination (see paragraphs 21 and 22 of Taxation Ruling TR 92/20).

Taxation Determination

Fringe benefits tax: living away from home allowance benefits : what is the reasonable food component for expatriate employees?

1. This Determination itemises the amounts that we accept as a reasonable food component of a living-away-from-home allowance paid to expatriate employees in various family situations for the fringe benefits tax year ended 31 March 1993 and for the fringe benefits tax year ending 31 March 1994.

2. As can be seen, the amounts shown below apply to **two** consecutive fringe benefits tax years. This change enables employers to determine their fringe benefits tax liability for the year ending 31 March 1994 in advance instead of having to wait until the end of the fringe benefits tax year. This approach is consistent with that adopted for other annual valuations for fringe benefits tax purposes eg. remote housing, non-remote housing and benchmark interest rate etc.

3. This Determination is intended to be read in conjunction with Taxation Ruling MT 2040. Updates of MT 2040 were issued for the years ended 31 March 1989 (MT 2043), 31 March 1990 (MT 2045), 31 March 1991 (MT 2047) and 31 March 1992 (MT 2051).

4. The reasonable food component for the fringe benefits tax year ended 31 March 1993 and for the fringe benefits tax year ending 31 March 1994, as shown below, has been indexed to reflect movements in the food subgroup of the Consumer Price Index:

| | <u>per week</u> |
|-------------------------------|-----------------|
| One adult | \$120 |
| Two adults | \$192 |
| Three adults | \$216 |
| Two adults and one child | \$216 |
| Two adults and two children | \$216 |
| Two adults and three children | \$253 |
| Three adults and one child | \$253 |
| Three adults and two children | \$288 |

Four adults \$288

("Adults" for this purpose are persons aged 12 years or more)

5. In relation to larger family groupings, we accept a food component based on the above figures plus \$71 for each additional adult and \$35 for each additional child.

Example:

A family consists of two adults and four children. The reasonable food component for the years ended 31 March 1993 and 1994 would be \$288, that is, \$253 plus \$35. A family of five adults would have a reasonable food component for the years ended 31 March 1993 and 1994 of \$359, that is, \$288 plus \$71.

Commissioner of Taxation

18/3/93

FOI INDEX DETAIL: Reference No. I 1214388

Not issued as a Draft TD

Related Determinations:

Related Rulings: MT2030 MT 2040 MT 2043 MT 2045 MT 2047 MT 2051

Subject Ref: Fringe benefits tax; living away from home allowances

Legislative Ref: FBTAA 30; 31; 136

Case Ref:

ATO Ref: NO 87/1500-9

ISSN 1038 - 8982