



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: for the purposes of Division 7 of the *Fringe Benefits Tax Assessment Act 1986* (FBTAA), what amount represents a reasonable food component of a living-away-from-home allowance for expatriate employees for the fringe benefits tax year commencing 1 April 1996?

1. The reasonable food component for the fringe benefits tax year commencing 1 April 1996, as shown below, is the result of indexation to reflect movements in the food sub-group of the Consumer Price Index:

	per week
One adult	\$130
Two adults	\$209
Three adults	\$235
Two adults and one or two children	\$235
Two adults and three children	\$274
Three adults and one child	\$274
Three adults and two children	\$313
Four adults	\$313

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

2. In relation to larger family groupings, we accept a food component based on the above figures plus \$78 for each additional adult and \$39 for each additional child.

3. This Determination is intended to be read in conjunction with Taxation Ruling MT 2040. MT 2040 sets out the amounts that represent a reasonable food component of living-away-from-home allowances received by expatriate employees during their term of employment in Australia for the FBT years ended 31 March 1987 and 1988. Indexed amounts for subsequent years are provided in MT 2043, MT 2045, MT 2047, MT 2051, TD 93/41, TD 94/23 and TD 95/55.

Example:

Bill and his wife and four children are temporarily living in Australia while Bill is working on a project for his employer (an overseas company). Bill is in receipt of a living-away-from-home allowance. The amount that is considered to be a reasonable food component of the allowance for the year commencing 1 April 1996 is \$313 per week (i.e., \$274 plus \$39).

Commissioner of Taxation5 June 1996

FOI INDEX DETAIL: Reference No. I 1015043

Not previously issued in draft form

Related Determinations: TD 93/41; TD 94/23; TD 95/55

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

Subject Ref: fringe benefits tax; living-away-from-home allowance

Legislative Ref: FBTA Div 7; FBTA 136

Case Ref:

ATO Ref: FBT 153; NAT 95/6880-8

ISSN 1038 - 8982