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FRINGE BENEFITS TAX (MISCELLANEOUS PROVISIONS) BILL 1986

Date introduced: 2 May 1986
House: House of Representatives
Presented by: Hon. Paul Keating, M.P., Treasurer

DIGEST OF BILL

Purpose

To amend nine Acts as a consequence of the introduction of a fringe benefits tax.

Background

This Digest should be read with the Digest for the Fringe Benefits Tax Assessment Bill (No. 86/71).

Outline

The amendments are contained in a Schedule to the Bill and are brought into effect by clause 3. A number of the amendments contained in this Bill are of a minor, consequential nature.

Main Provisions

The major amendments contained in this Bill relate to the:

Administrative Decisions (Judicial Review) Act 1977

This Act will be amended to exclude review of decisions relating to the fringe benefits tax from the Act. The Fringe Benefits Tax Assessment Bill contains separate review procedures.
Income Tax Assessment Act 1936

A new section 23L will be inserted into this Act to make it clear that benefits that have been subject to the fringe benefits tax will be exempt income in the employee's hands.

Sections 26AAAA and 26AAAB of the Act, which deal with the value of employee's housing will be repealed. This matter is now covered by the fringe benefits tax.

Section 51 will be amended to make it clear that fringe benefits tax paid by an employer will not be deductible.

Section 51AE will be amended to allow expenditure on the provision of meals to employees under board or living-away-from-home arrangements to be deducted.

A new section 51AH will be inserted into the Principal Act to make it clear that, to the extent that it has been reimbursed, expenditure of an employee will not be deductible.

Taxation (Interest on Overpayments) Act 1983

This Act, which allows interest to be paid on certain tax refunds will be extended to allow interest to be paid on a refund of fringe benefits tax following a successful appeal or where the Commissioner decides to reduce the fringe benefits tax payable.

For further information, if required, contact the Economics and Commerce Group.

26 May 1986

Bills Digest Service
LEGISLATIVE RESEARCH SERVICE

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