

FRINGE BENEFIT TAX

In the year to 30 June 2017 Inland Revenue collected over \$524 million of FBT.

This is not a lot of revenue in the context of the \$75 billion total tax take, but FBT causes more headaches for businesses than just about any other tax.

It's our experience employers are not always fully aware of their FBT obligations. They are therefore vulnerable to investigations. Frequently errors go undetected for years, until identified during an Inland Revenue review.

So to help businesses understand their FBT obligations, here's a checklist of some of the likely issues.

Do you provide or allow the use of any of the following for your staff, including directors, shareholders and contractors?

- Company vehicles.
- Private use of those vehicles.
- Fuel cards.
- Subsidised transport.
- Car parking.
- Reimbursement for mileage if you don't provide a car.
- Medical insurance.
- Clothing.
- Goods and services below market value.
- Subsidised services.
- Childcare.
- Tools.
- Mobile phones or laptops.
- Loans.

- Shares in your company.
- Reimbursement/payment for home office.
- Gift baskets at Christmas.
- Gift vouchers.

If you have ticked any of the boxes, please contact us.