

Fact Sheet

When does an Employer need to lodge a Fringe Benefits Tax Return

Introduction

We are often asked about whether or not an Employer is required to lodge a Fringe Benefits Tax Return. This question is often raised by Employers who provide fringe benefits to their employees, particularly where those fringe benefits are provided as part of a salary sacrifice arrangement.

Requirement to Lodge a Return

An Employer must lodge a Return only where they have a liability to pay Fringe Benefits Tax in respect of a Fringe Benefits Tax Year. If an Employer does not have a liability to pay Fringe Benefits Tax then they are not required to lodge a Return.

Other Considerations

Prior Year Returns Lodged

Where an Employer is registered with the Australian Taxation Office for Fringe Benefits Tax (where for example prior year Returns have been lodged) and for the current Year there is no Fringe Benefits Tax payable it is not necessary to lodge a Return. However it will be necessary to lodge a Notice of non-lodgement.

This document is available from the Australian Taxation Office website at the following address.

<https://www.ato.gov.au/Forms/FBT---notice-of-non-lodgment/>

Fringe Benefits Tax Instalments Paid

Where an Employer has paid instalments of Fringe Benefits Tax in relation to a Year, however has no Fringe Benefits Tax payable in relation to that Year, it will be necessary to lodge a Return in order to have the tax instalments refunded.

Application to Exempt Employers

The above rules apply to Exempt Employers. That is, even where fringe benefits are provided, pursuant to an employer's salary packaging arrangements, there is still only a requirement to lodge a Return where there is Fringe Benefits Tax payable in relation to the Fringe Benefits Tax Year.

Key definitions	
Employer	An organisation that employs one or more people for a salary or wage
Employee	A person working for an organisation for pay
Fringe Benefits Tax Year or Year	1 April to 31 March each year
Exempt Employer	Is either a Public Benevolent Institution, Health Promotion Charity, Public Ambulance Service or (some) Hospitals

Please note: Information, advice or guidance provided in this fact sheet, is general in nature and provided without reference to your organisation policies or your circumstances. It is not and should not be considered to be organisational or personal advice to you. Please contact your accountant, tax agent or legal adviser to determine how the information in this fact sheet may apply to your circumstances. Alternatively you can contact AccessPay with any queries about how the information in this fact sheet may apply to your circumstances.