

Monash University Procedure

Procedure Title	Fringe Benefits Tax – Vehicles Procedures (Australia only)
Parent Policy	Fringe Benefits Tax (Australia) Policy
Date Effective	10-July-2015
Review Date	Three years from date effective
Procedure Owner	Executive Director, Monash HR.
Category	Operational
Version Number	2.0
Content Enquiries	adm-policybank@monash.edu
Scope	All staff All students All campuses
Purpose	A car fringe benefit will arise in respect of any day where (at any time) an employer's car is applied to a private use, or is taken to be available for the private use, of an employee or associate of an employee. Fringe benefits tax will be incurred on the taxable value of the car fringe benefit.
PROCEDURE STATEMENT	

1. Vehicle Declarations

Employees who take home a University owned or leased vehicle as part of their employment conditions, are required to complete the following documentation:

- Where an employee of the University contributes to the running costs of the vehicle (i.e. petrol/oil), this reduces the Taxable Value of the benefit accordingly. The employee must notify the University in the appropriate format. [hyper link - <http://intranet.monash.edu.au/finance/taxation/fringe-benefits-tax/motor-vehicle/motor-vehicle-benefits/index.html>]
- A Vehicle Unavailable for Private Use Declaration hyper link - <http://intranet.monash.edu.au/finance/taxation/fringe-benefits-tax/motor-vehicle/motor-vehicle-benefits/index.html> must be completed when an employee does not have custody of the vehicle for a full 24 hour period or more. This declaration must show the number of days unavailable and the reason and be sent to Tax Team, Corporate Finance by first week of April for the preceding FBT year.

2. Pool/ Departmental Cars

A University-owned vehicle will be taken to be available for the private travel use of an employee where:

- The vehicle is garaged at or near the employee's place of residence and any associated home / work travel
- The vehicle is not on the employer's business premises and the employee or an associate is entitled to use the car privately or has custody or control of the car whilst not performing employment duties.

Monash University Procedure

Where there has been private use of a pool/departmental vehicle, a fringe benefit has occurred and is subject to FBT. Vehicles taken by an employee on a particular night will be deemed as a fringe benefit for two days. Two consecutive nights will be a fringe benefit for three days.

Taking note of the preceding information, each Department is required to complete a Pool Car Declaration [hyper link - <http://intranet.monash.edu.au/finance/taxation/fringe-benefits-tax/motor-vehicle/motor-vehicle-benefits/index.html>] form at the conclusion of each FBT year declaring the annual kilometres that the car has travelled during that period and list the total number of day's private use by employees. For each employee who had private use the declaration must show their name and staff ID and their number of days of private use.

3. Log Book records

All vehicles, other than salary packaged and commercial vehicles, are to maintain standard University Log Books and record details of all travel (business and private), undertaken with no gaps in the kilometres recorded. These records are to be kept in the department.

<http://intranet.monash.edu.au/finance/taxation/fringe-benefits-tax/motor-vehicle/departmental-pool-vehicles/index.html>

4. Exempt Vehicles

There are circumstances in which private use of a car may be exempt from FBT.

An employee's private use of a panel van, utility or other commercial vehicle (i.e. one not principally to carry passengers) is exempt if the employee's private use of such a vehicle is limited to:

- Travel between home and work
- Travel which is incidental to travel in the course of duties of employment
- Non-work-related use that is minor, infrequent and irregular

If private use becomes more than infrequent then a Log Book must be maintained for the whole FBT year.

Responsibility for implementation	1. Employee with use of vehicle 2. Employee using pool vehicle 3. Departmental car custodian 4. Head of Unit with Custody of Exempt Vehicle	
Status		
Approval Body	Academic Quality and Standards procedure Name: Meeting: Date: Agenda item:	Operational procedure Name: Date: Author:
Definitions	Associate: widely defined, may include a relative, a partner, a spouse or child of a partner	

Monash University Procedure

	<p>ATO: Australian Taxation Office</p> <p>Commercial Vehicle: A panel van, or utility truck designed to carry a load of less than one tonne, or any other vehicle designed to carry a load of less than one tonne but which is not designed principally for carrying passengers</p> <p>Employee's place of residence: his/her home or any other place where the employee resides or has sleeping accommodation</p> <p>FBT: Fringe Benefits Tax</p> <p>FBT year: is from 1 April to 31 March</p> <p>Taxable value: Value of the fringe benefit before it is grossed up</p>
Legislation Mandating Compliance	
Related Policies	
Related Documents	
SCHEDULE(S)	
<p>Additional mandatory requirements specific to a Faculty or Offshore location Education procedure</p> <p>This field will only be published if required.</p>	
Name of Faculty/Offshore Location	
Procedure Statement	