

fordham

For business owners
Accounting & Tax
Investment Management
Strategy & Planning

fringe benefits tax...



Why throw money away?

Do you know what your employees cost you? Do you:

- Provide your employees with cars?
- Take your employees out to dinner?
- Have a Christmas party?
- Offer salary sacrificing to your employees?

Fringe Benefits Tax is begrudgingly paid by employers on the “benefits” they provide to their employees.

It is paid on cars, entertainment, travel, parking and just about every benefit provided that is not already taxed.

It is a highly complex tax that requires employers to make many choices. Depending on these choices, employers can significantly reduce their liability.

Rather than just pay the tax.

Moreover, this complexity makes the preparation of the annual return difficult for the employer’s internal accounting staff to get right.

Diligent and honest employers can still be subjected to an ATO audit, where the ATO invariably takes a different view on accuracy and completeness, resulting in paying more tax. The opportunity then, is to structure benefits correctly, report it accurately and to pay less tax.

At Fordham we have invested in specialised software and training to provide the resource to help clients accurately assess their liability, to plan to reduce future exposure, to ensure compliance and to facilitate reporting through to individual employee PAYG summaries.

Easy and worthwhile.



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Fordham Business Advisors is part of the Perpetual Group

The process

Our approach to reducing our client’s liability for FBT and to help in administration and compliance is as follows:

Planning As with all taxes, a little effort paid towards structuring benefits and choosing strategies which reduce exposure to liability can help eliminate the problem before it arises.

Preparation We work with your staff to prepare the worksheets to understand your risks and this enables us to assess alternative reporting options.

Compliance We prepare the returns and manage the lodgement and assessment process accurately.

Reporting As employee benefits need to be reported on PAYG summaries, our work includes full employee data. In addition, full work papers are generated to support any future audit from the ATO.

Value Surprisingly little effort and relatively small cost for a potentially substantial benefit.

Front cover

Aileen Fulton

Director, Fordham Business Advisors