

Fringe Benefits Tax – 2015 & 2014

FBT Rate

FBT is imposed on the grossed-up taxable value of the benefits provided. The FBT rate is as follows:

FBT Year Ended	Rate of Tax
31 March 2015	47% ¹
31 March 2014	46.5%

¹ In the 2014/15 Federal Budget, the government announced their intention to introduce a 3-year 'Temporary Budget Repair Levy' commencing 1 July 2014. The proposed levy is equal to 2% of taxable income in excess of \$180,000. Some consequential amendments are proposed to flow from this, including an increase to the FBT rate from 47% to 49% from 1 April 2015 to 31 March 2017. Such a change will therefore affect the FBT gross-up rates and the FBT rebate rate for the relevant years. At the time of writing, a package of Bills to give legislative effect to the proposed measure had been passed by both Houses of Parliament and are awaiting assent.

Gross-up Rates

FBT Year Ended	Gross-up Rate	
	Type 1	Type 2
31 March 2015	2.0802 ¹	1.8868 ¹
31 March 2014	2.0647	1.8692

¹ Refer to note 1 in the table above.

Car Fringe Benefits – Statutory Formula Method – Statutory Fraction

Annualised kilometres	Statutory Fraction				
	Contracts in existence up to 7.30pm 10 May 2011	Cars acquired under contracts entered into after 7.30pm 10 May 2011			
		From 10 May 2011	From 1 April 2012	From 1 April 2013	From 1 April 2014
0 – 14,999	0.26	0.20	0.20	0.20	0.20
15,000 – 24,999	0.20	0.20	0.20	0.20	0.20
25,000 – 40,000	0.11	0.14	0.17	0.20	0.20
40,001+	0.07	0.10	0.13	0.17	0.20

Rates for Vehicles other than Cars¹

Engine Capacity	Cents per Km 2014/15 FBT Year	Cents per Km 2013/14 FBT Year
0 – 2,500cc	\$0.50	\$0.49
2,501cc+	\$0.60	\$0.59
Motorcycles	\$0.15	\$0.15

¹ These are residual fringe benefits.

Benchmark Interest Rate for Loan Fringe Benefits

FBT Year Ended 31 March	Rate
2015	5.95%
2014	6.45%

Car Parking Threshold

FBT Year Ended 31 March	Threshold
2015	\$8.26
2014	\$8.03

Per Kilometre Claims for Car Deductions

The 2013/14 cents per kilometre (km) rates for car deductions (up to a maximum of 5,000 business kms per car), based on engine capacity, are as follows:

Engine Capacity (cc)		Rate per Km
Ordinary Car	Rotary Engine Car	2013/14 \$
0 – 1,600	0 – 800	0.65
1,601 – 2,600	801 – 1,300	0.76
2,601+	1,301+	0.77

Car Depreciation Cost Limit¹

The depreciation cost limit applies to the income year in which the car is acquired or first held.

Income Year	Cost Limit \$
2013/14	57,466

¹ Cars that are not designed mainly for carrying passengers (such as some utilities and hearses) are not subject to the depreciation car limit.

CGT Improvement Thresholds

Certain improvements to pre-CGT assets will be deemed to be separate post-CGT assets where the cost base of the improvement exceeds both the improvement threshold for the year and 5% of the consideration for the sale of the asset.

Income Year	Improvement Threshold \$
2013/14	136,884
2012/13	134,200
2011/12	130,418
2010/11	126,619
2009/10	124,258
2008/09	119,594
2007/08	116,337
2006/07	112,512
