

INDIRECT TAXES

FBT EXEMPTION FOR SKILLS TRAINING OF REDEPLOYED EMPLOYEES

The Government has announced that from 6 October 2020, it will introduce an FBT exemption for employer provided retraining and reskilling benefits provided to redundant, or soon to be redundant, employees where the benefits may not be related to their current employment.

Normally, arrangements like this would be subject to FBT.

However, this exemption will not extend to salary packaging arrangements or Commonwealth supported places at universities.

REDUCING THE COMPLIANCE BURDEN OF FBT RECORD KEEPING

Under this announcement, employers will be able to rely on their own existing records, rather than employee declarations to meet FBT administrative requirements.

This removes the need to complete additional records where the information already exists.