Monash University Procedure

<table>
<thead>
<tr>
<th>Procedure Title</th>
<th>Fringe Benefits Tax - Housing Procedures (Australia only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent Policy</td>
<td>Fringe Benefits Tax (Australia) Policy</td>
</tr>
<tr>
<td>Date Effective</td>
<td>10-July-2015</td>
</tr>
<tr>
<td>Review Date</td>
<td>20-September-2011</td>
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<tr>
<td>Procedure Owner</td>
<td>Divisional Director, Corporate Finance</td>
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<tr>
<td>Category</td>
<td>Operational Procedure</td>
</tr>
<tr>
<td>Version Number</td>
<td>2.0</td>
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<tr>
<td>Content Enquiries</td>
<td>Finance Policy</td>
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<tr>
<td>Scope</td>
<td>All Australian campuses</td>
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<td></td>
<td>All Australian staff members</td>
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<td>Purpose</td>
<td>To ensure the University complies with Australian Fringe Benefits Tax (FBT) legislation and rulings.</td>
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**PROCEDURE STATEMENT**

A housing fringe benefit will arise where an employee is provided with the right to use a unit of accommodation and that unit of accommodation is the usual place of residence of the employee. Fringe benefits tax will be incurred on the taxable value of the housing benefit.

**Taxable Value of the Benefit**

The taxable value of the benefit provided is calculated as the current market rental value of the accommodation less any contributions, i.e. rent, paid by the employee.

The basis for calculating the taxable value is determined by the first year’s market rental value obtained from an estate agent or independent property valuer. The first year’s market value must then be recalculated annually using the CPI factor determined by the ATO.

The first year’s market value can be used for obtaining the annual CPI market value for a maximum of up to nine consecutive years.

**Responsibility**

Corporate Finance Tax Team

The market rental value of accommodation must be obtained from an estate agent or independent property valuer every 10 years.

If the accommodation reduces or increases in value by at least 10% during this period, then a new valuation must be obtained.

**Responsibility**

Monash Residential Services

**Occupancy Status Report**
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An Occupancy Status Report for each employee receiving housing fringe benefits must be completed annually for the FBT year. This should show details of:

- Market value of accommodation
- Valuation date
- Occupancy dates
- Employee contributions

Responsibility
Monash Residential Services

Employee Rent Deduction Report

A Payroll report showing each employee's rent deductions for the relevant wage types must be provided to the Tax Team annually for the FBT year.

Responsibility
Monash HR

| Responsibility for implementation | Senior Vice-President Finance & CFD  
Executive Director, Corporate Finance |
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<tr>
<td>Status</td>
<td>Revised</td>
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</table>
| Approval Body                     | Name: Vice-President (Finance)  
Date: 10-July-2015  
Author: Taxation Manager |
| Definitions                       | ATO: Australian Taxation Office  
CPI: Consumer Price Index  
FBT: Fringe Benefits Tax  
FBT Year: 1 April to 31 March  
Occupancy Status Report: a report provided detailing employees in University provided rental accommodation for the FBT Year  
Taxable value: Value of the fringe benefit before it is grossed up |
| Legislation Mandating Compliance  | Fringe Benefits Tax Act 1986  
Fringe Benefits Tax Assessment Act 1986 |
| Related Policies                  | Global Taxation Policy  
Corporate Credit Card Policy |
| Related Documents                 |                                     |