



Venue Hire

Do you feel like a holiday but you want to save money...



Take full advantage

Accommodation & Venue Hire is a benefit item that is **totally exempt** from FBT. This means it can be packaged **in addition** to the \$9,094.80 amount tax free.

Accommodation & Venue Hire includes the **hiring of venues and facilities** by the employee for the provision of **entertainment and/or recreation** for personal use. It does not have to be associated with business in any way.

The accommodation and venue hire benefit may be audited by the Australian Taxation Office. Fraudulent claims will lead to disciplinary action and /or be referred to appropriate external bodies.

Accommodation and venue hire may be claimed retrospectively from 1 January 2008.

What is Included?

The following type of expenses will generally qualify as Venue Hire:

- Holiday accommodation, including hotels, motels, bed & breakfast accommodation and other similar units of accommodation;
- Hire of a reception centre, function room or marquee;
- A corporate box or other similar arrangement where the allocated seats have exclusive use and naming rights attached; and
- Boats or planes where the boat or plane has been hired in its entirety.

What is Excluded?

The following types of expenses do not qualify as Venue Hire:

- Travel, including air fares, to the holiday destination;
- **Meals** and other **incidental costs** at the holiday destination (meals which may be claimed through packaging meal entertainment benefits);
- Cruises;
- Golf club or similar memberships; and
- Purchase of holiday homes or time share accommodation.

What is the limit?

- There is no limit as long as you have sufficient deductions to cover the amount you want to package.

Taxation Issues

- Venue Hire expenses are exempt from FBT and are not reported on the employee's payment summary as a fringe benefit.
- Venue Hire is salary packaged in addition to the FBT capping threshold.
- Input Tax Credits are not available.
- Fringe Benefits Tax does not apply.

Substantiation

- Submit the original receipt/tax invoice and a claim for reimbursement of expense incurred.
- Where the expense is part of a 'package deal', the accommodation component of the cost must be clearly identifiable.
- Overseas Venue Hire expenses will require both an original receipt and copy of the credit card statement showing the Australian dollar amount of the expense.

Form of Payment

- Reimbursement to employee where the original receipt/tax invoice and a completed claim form has been forwarded to Remunerator.
- As salary packaging impacts employees differently dependant on their financial circumstances, this information must not be used as a substitute for legal or other professional financial advice. It is recommended that independent financial advice is obtained before entering into this type of arrangement