

## **IMPORTANT NOTICE TO GUESTS**

The following is an important notice for current serving and ex members of the ADF and current serving and ex members of the Defence APS.

### **FRINGE BENEFITS TAX**

A review by the Defence Tax Management Office (DTMO) to ensure the Department of Defence was meeting all its taxation reporting obligations; including Fringe Benefits Tax, has resulted in entities providing discounted holiday accommodation coming into scope. The RAAF Welfare Recreational Company (RWRC) provides discounted holiday accommodation at its Gold Coast Ambassador Apartments.

After consideration of a generic suite of information, the DTMO have determined that the RWRC was and is providing present and past employees of the Department a benefit and, depending on the discount provided, a Reportable Fringe Benefit Amount (RFBA) may accrue. Additionally, please note that if staying at the apartments, the RWRC is obliged to provide your details and PM Keys number, or equivalent, to the DTMO as part of the FBT reporting process. This will apply on and from the 2019/2020 reporting year.

- The Australian Taxation Office (ATO) provides information on the implications of an RFBA on their website: [https://www.ato.gov.au/General/Fringe-benefits-tax-\(FBT\)/Reportable-fringe-benefits---facts-for-employees/Amounts-reported-on-your-payment-summary-or-income-statement/](https://www.ato.gov.au/General/Fringe-benefits-tax-(FBT)/Reportable-fringe-benefits---facts-for-employees/Amounts-reported-on-your-payment-summary-or-income-statement/)
- DTMO Guidance 5.02 (below) provides general information in this regard. Please take time to read the document.

Please be assured the Board are looking carefully at the implications of this outcome and will be carefully considering how it impacts operations and how the RWRC may be able to continue to provide services to eligible members without attracting a RFBA.