FBT and Travel

Any travel paid for by the University which is of a private nature, or is deemed to be of a private nature, will attract FBT.

Travel Diaries

Travel Diaries are required for any travel by UB staff where they are away from home within Australia for more than 5 nights, and all overseas travel. If no diary is completed FBT automatically applies.

Travel Diaries are the formal means of substantiating for taxation purposes what the purpose was for a trip and can be obtained by contacting Financial Operations on extension 9700.

FBT - General Rules

Where the primary purpose of the trip is deemed to be private, FBT applies to the airfares and other travel costs and any other deemed private expenses.

Travel insurance is always classified as being private in nature, even though it is a mandatory UB requirement that travel insurance be purchased by staff for all overseas trips.

Where a staff member undertakes travel for business purposes and the first part of the travel includes recreational leave or private days, the primary purpose of the trip is deemed to be private in nature.

Travel days are classified as business purpose generally to a maximum of 1 - 2 days with an additional day for physical recovery.

If more than 2 days travel is required, detailed reasons (such as flight connections) need to be documented in the travel diary.

Where a staff member undertakes travel which includes a mix of business and private purposes, and the first part of the trip is not recreational leave or private days, then a count of the business and private days based on the entries in the staff members travel diary are made to determine the principal purpose of the trip.

Weekends, public holidays, festival days etc. in the country being visited are counted as private days, unless business is undertaken on those days.

Where the number of private days exceeds the number of business days, the trip will be deemed to be principally for private purposes and FBT applies to the airfares and other travel costs and any other deemed private expenses.

How much FBT is charged?

Where FBT is levied it has the effect of approximately doubling the costs of the trip or the parts of the trip to which it is applied.

Who pays the FBT?

The University pays the FBT, with the FBT levied charged back to the Account, Department and/or Project from which the original costs were paid.

Where the originating account is a Consultancy account, the FBT will be charged to that Consultancy account.

Although FBT is a tax paid by the University, benefits with a base value of $2,000.00 or more are required to be reported on the individual staff members Payment Summary (Group Certificate).