

Fringe Benefits Tax Amendment Regulations 2003 (No. 1) 2003 No. 38

EXPLANATORY STATEMENT

STATUTORY RULES 2003 No. 38

Issued by authority of the Minister for Revenue and Assistant Treasurer

Fringe Benefits Tax Assessment Act 1986

Fringe Benefits Tax Amendment Regulations 2003 (No. 1)

Section 135 of the *Fringe Benefits Tax Assessment Act 1986* (the Act) provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Subsection 5E(3) of the Act lists excluded fringe benefits, which are fringe benefits that do not need to be reported on employee payment summaries. As part of this subsection, it is listed that a fringe benefit is excluded from the fringe benefits reporting requirement if it is prescribed by the regulations.

The purpose of the proposed Regulations was to exclude fringe benefits associated with the removal or storage of household effects of police officers from the fringe benefits reporting requirement. The police officer must be a member of a police force or police service of the Commonwealth, a State or Territory and be a resident of Australia or an external Territory. To be eligible for the exclusion, the removal or storage has to be as a result of a move undertaken at the direction of the police force or service that provides the benefit.

Under the proposed Regulations, fringe benefits associated with the removal or storage of household effects of police officers that arise from a move directed by a police force or service are not reported on employee payment summaries for the income year ending 30 June 2003 and later income years.

The Regulations commenced on gazettal.