



Meal Entertainment and Venue Hire Benefit

Salary Packaging - give yourself a pay-rise!



What is Salary Packaging?

Salary Packaging is a tax effective way to receive your salary as a combination of income & benefits that allows you to deduct some of your pre-tax income & use it to pay for a variety of benefits.

By reducing your pre-tax income you can reduce the amount of income tax you pay & in turn increase the amount you take home each pay day.

What is a Public Benevolent Institution (PBI)?

A PBI is a non-profit organisation which includes charities, clubs, societies and associations. A Public Benevolent Institution (PBI) can provide a certain limit of FBT free fringe benefits to its employees.

Meal Entertainment and Venue Hire Benefits

In 2017, the amount allowable for salary packaging meal entertainment and/or venue hire is capped at \$2,650 per FBT year, and \$5,000 grossed up, in addition to the taxfree capped amount of \$15,900. These benefits are a reportable fringe benefit, which must be reported to your employer. This will be shown on your PAYG Summary.

This benefit consists of food and drink consumed in a social or entertainment setting. It is likely these entertainment settings will be provided away from the business premise to be eligible. For example, catering costs and venue hire for a party would suffice, whereas a visit to the grocery store for everyday consumption would not.

An Example of the Benefits

Cameron works for a youth charity program and has a yearly salary of \$52,000 before super. His fortnightly pay before tax is \$1,993.

He enjoys taking his wife out for dinner every few weeks to keep the romance alive, and he also enjoys his morning flat white to get the day started. This costs Cameron \$105 every fortnight.

With the benefit, Cameron can pay for his meal and entertainment using pre-tax dollars, saving him \$37 every fortnight, coming to \$943 every year.

How Do I Get Started?

Call SPA on 1300 786 664
Or email us at
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