

Actual method – Entertainment – Employer's premises

<p><u>Current employees</u></p> <ul style="list-style-type: none"> ■ food and drink on a working day ■ recreation (e.g., band, DJ, comedian) <ul style="list-style-type: none"> – cost of benefit per guest <\$300* – cost of benefit per guest \$300+ ■ taxi travel (single trip that begins or ends at work) 	<p>No FBT, no tax deduction</p> <p>No FBT, no tax deduction FBT and tax deductible</p> <p>No FBT, no tax deduction</p>
<p><u>Family members</u></p> <ul style="list-style-type: none"> ■ food and drink <ul style="list-style-type: none"> – cost of benefit per guest <\$300* – cost of benefit per guest \$300+ ■ recreation (e.g., band, DJ, comedian) <ul style="list-style-type: none"> – cost of benefit per guest <\$300* – cost of benefit per guest \$300+ 	<p>No FBT, no tax deduction FBT and tax deductible</p> <p>No FBT, no tax deduction FBT and tax deductible</p>
<p><u>Clients, suppliers, etc.</u></p> <ul style="list-style-type: none"> ■ food and drink (whatever the cost) ■ recreation (e.g., band, DJ, comedian) ■ taxi travel 	<p>No FBT, no tax deduction</p> <p>No FBT, no tax deduction</p> <p>No FBT, no tax deduction</p>
<h2>Actual method – Entertainment – Restaurant or other venue</h2>	
<p><u>Current employees</u></p> <ul style="list-style-type: none"> ■ food and drink – cost of benefit per guest <\$300* ■ food and drink – cost of benefit per guest \$300+ ■ recreation (e.g., band, DJ, comedian) <ul style="list-style-type: none"> – cost of benefit per guest <\$300* – cost of benefit per guest \$300+ ■ taxi travel (from venue to home) <ul style="list-style-type: none"> – cost of benefit per guest <\$300* – cost of benefit per guest \$300+ 	<p>No FBT, no tax deduction FBT and tax deductible</p> <p>No FBT, no tax deduction FBT and tax deductible</p> <p>No FBT, no tax deduction FBT and tax deductible</p>
<p><u>Family members</u></p> <ul style="list-style-type: none"> ■ food and drink – cost of benefit per guest <\$300* ■ food and drink – cost of benefit per guest \$300+ ■ recreation (e.g., band, DJ, comedian) <ul style="list-style-type: none"> – cost of benefit per guest <\$300* – cost of benefit per guest \$300+ 	<p>No FBT, no tax deduction FBT and tax deductible</p> <p>No FBT, no tax deduction FBT and tax deductible</p>

Actual method – Entertainment – Restaurant or other venue	
<u>Clients, suppliers, etc.</u>	
<ul style="list-style-type: none"> ■ food and drink (whatever the cost) ■ recreation (e.g., band, DJ, comedian) ■ taxi travel 	<p>No FBT, no tax deduction</p> <p>No FBT, no tax deduction</p> <p>No FBT, no tax deduction</p>
50/50 method – Entertainment – Any premises	
<u>Current employees, family members, clients, suppliers, etc.</u>	
<ul style="list-style-type: none"> ■ food and drink ■ recreation that is an EFLE (e.g., hire of function centre or restaurant)# ■ taxi travel 	<p>50% FBT, 50% deductible</p> <p>50% FBT, 50% deductible</p> <p>50% FBT, 50% deductible</p>
Entertainment Christmas gifts	
<u>Current employees</u>	
<ul style="list-style-type: none"> ■ cost of gift <\$300* ■ cost of gift \$300+ 	<p>No FBT, no tax deduction</p> <p>FBT and tax deductible</p>
<u>Family members</u>	
<ul style="list-style-type: none"> ■ cost of gift <\$300* ■ cost of gift \$300+ 	<p>No FBT, no tax deduction</p> <p>FBT and tax deductible</p>
<u>Clients, suppliers, etc.</u>	No FBT, no tax deduction
Non-entertainment Christmas gifts	
<u>Current employees</u>	
<ul style="list-style-type: none"> ■ cost of gift <\$300* ■ cost of gift \$300+ 	<p>No FBT but tax deductible</p> <p>FBT and tax deductible</p>
<u>Family members</u>	
<ul style="list-style-type: none"> ■ cost of gift <\$300* ■ cost of gift \$300+ 	<p>No FBT but tax deductible</p> <p>FBT and tax deductible</p>
<u>Clients, suppliers, etc.</u>	No FBT but tax deductible

Note: () The minor benefit exemption can only be applied to the provision of benefits that cost less than \$300 where the benefit satisfies S.58P, as discussed in TR 2007/12.*

Note: (#) Assuming the employer has made an election to apply the 50/50 split method to its EFLEs.