eJournal of Tax Research

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TravelSmart or travel tax breaks

parking and health as reasons to adopt alternative forms of transport to and from work. However FBT is often cited as a barrier.

Australia is unusual, being one of only two countries in the world to impose FBT on employee benefits on employers, with the other being New Zealand. The purpose of

Since the introduction of the FBT in 1986 the practice of salary packaging, or salary sacrificing, has become pervasive. Salary packages incorporate tax preferred benefits to minimise tax obligations, notably superannuation contributions that exceed the mandated superannuation guarantee and provision of a motor car that can be used for private purposes. The employee negotiates a lower cash salary with the inclusion of salary packaged items. Generally any FBT liability is passed from the employer to the employee in the arrangement.

However other forms of transport do not fall within tax preferred categories. This creates a tax subsidy for private motor vehicles as a form of transport.

3.   THE FOCUS GROUP

3.1   TravelSmart

TravelSmart Workplace is a component of the WA Healthy Workers Initiative which is jointly funded by the Western Australian and Australian Governments. It is designed to promote active travel, facilitating a range of workplace initiatives to reduce the use of cars and increase the use of alternatives including public transport and cycling (WA Department of Transport 2015a).

The benefits of the TravelSmart programme are based on efficiency gains through improved access and reduced parking costs, health and productivity benefits for employees, and reduction of the environmental footprint of the business.

TravelSmart programme co-ordinators in each participating workplace, drawn from both the government and the private sector, are invited to become part of a network co-

Table 1: Various TravelSmart programmes available or desired by surveyed participants

OPTIONS	AVAILABLE	DESIRED	TOTAL
Travel allowance for alternative methods of transport	10%	59%	69%
Provision or subsidy of travel passes/SmartRiders	23%	55%	78%
SmartRiders for work related travel only	23%		
Reward schemes for staff not driving to work	14%	55%	69%

6.

where the premises are not readily accessible by other means of transport, employees can reasonably expect to be able to park at the business premises while attending the office.

Given that parking and congestion is listed as one of the main reasons for business to promote active travel, the concessional nature of FBT on parking does not align with this agenda. However, planning regulations are an additional tool that can be used in some circumstances to reduce parking demand.

Casestudy 1: University parking

The WA Planning Commission has determined that no additional parking areas will be allowed in priority zones¶ which affects large public institutions including universities. Parking on campus has traditionally been relatively cheap, with a non reserved bay costing $500 pa or $3 per day in the 2014 calendar year; and with permits not required outside teaching periods.

Currently there is no FBT payable in relation to staff permits as there is no other commercial parking station within 1km of campus.

The university has adopted a policy of increasing the cost of parking over three years to the equivalent of a two zone fare (about 20km) on public transport which is currently $4.40. For the 2015 calendar year the cost of permits was increased to $700

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4.   changeroom access to a changeroom from the shower or the shower may be a combined shower/changing cubicle.

The provision of end of trip facilities to employees that use alternative modes of transport does not result in any FBT consequences as those facilities are exempt from FBT. Exemptions are available in respect of property consumed on the premises on a working day, on business premises (FBTAA s 41); and for residual benefits resulting from the use of employee amenities (FBTAA s 47(3) as defined in s

5. Which of the following categories of initiatives are available, or would you like to be available in your organisation?

Available	Program	Desired