### Note:
Cannot claim input tax credit for non tax deductible entertainment

<table>
<thead>
<tr>
<th>Expense</th>
<th>GST code</th>
<th>Meal Entertainment</th>
<th>Y/N FBT</th>
<th>Y/N ITC</th>
<th>Y/N</th>
</tr>
</thead>
</table>

#### a. Food and drink consumed on the University’s premises...

1. **Food or drink consumed on University premises at a social function e.g. Christmas Party**
   - (i) employees: Y Y 4201 C Y
   - (ii) associates: Y Y 4201 C Y
   - (iii) clients: N N-cannot claim 4202 NA Y

2. **Morning and afternoon tea on University’s premises**
   - (i) employees: N Y 4200 C N
   - (ii) associates: Y Y 4201 C N
   - (iii) clients: N Y 4200 C N

3. **Food or drink consumed at in house dining facility (staff Club) at a social function (party)**
   - (i) employees: Y Y 4201 C Y
   - (ii) associates: Y Y 4201 C Y
   - (iii) clients: N N-cannot claim 4202 NA Y

4. **Food or drink consumed at in house dining facility (staff Club) NOT at a social function**
   - (i) employees: N Y 4200 C Y
   - (ii) associates: Y Y 4201 C Y
   - (iii) clients: N N-cannot claim 4202 NA Y

5. **Food or drink consumed on University’s premises for ordinary course of business, e.g. Annual Open Day and Info Day**
   - (i) employees: N Y 4200 C N
   - (ii) members of public: N Y 4200 C N

6. **Food or drink consumed on University’s premises solely as a means of recognising the special achievements of employee in a matter relating to the employment of Uni employee.**
   - (i) employees winning the awards: N Y 4200 C N
   - (ii) associates of employees who win the awards: N Y 4200 C N
   - (iii) other employees: Y Y 4201 C Y
   - (iv) representatives from the external organisation: N Y 4200 C N

#### b. Food and drink consumed off the University’s premises...

7. **Food or drink consumed off University’s premises at a social function or business lunch**
   - (i) employees: Y Y 4201 C Y
   - (ii) associates: Y Y 4201 C Y
   - (iii) clients: N N-cannot claim 4202 NA Y

8. **Food or drink consumed off University’s premises at promotions and is open to the general public**
   - (i) employees: Y Y 4201 C Y
   - (ii) associates: Y Y 4201 C Y
   - (iii) clients: N N-cannot claim 4202 NA Y

9. **Food and drink consumed off University’s premises at a training session that satisfies the definition of “eligible seminar”**
   - (i) employees: N Y 4200 C N
   - (ii) associates: Y Y 4201 C N

#### c. Satisfies the definition of “eligible seminar” on or off University’s premises...

10. **Food and drink consumed at conferences, seminars, training sessions that satisfies the definition of eligible seminar on or off campus**
    - (i) employees: N Y 4200 C Y
    - (ii) clients (eg conferences run by University where light refreshment is incidental to the seminar): N Y 4200 C Y

11. **Food and drink consumed at conferences, seminars, training sessions that does NOT satisfy the definition of eligible seminar on or off campus**
    - (i) employees (except light refreshment and light breakfast): Y Y 4201 C Y
    - (ii) associates: Y Y 4201 C Y
    - (iii) clients: N N-cannot claim 4202 NA Y

#### d. Food and drink consumed by employees while traveling overnight on business

12. **Food and drink consumed by an employee, their spouse and client whilst travelling**
    - (i) employees: N Y 5101/5105 C N
    - (ii) associates: Y Y 4201 C N
    - (iii) clients (travelling with employee): N N-cannot claim 4202 NA Y

13. **Food and drink consumed by a travelling employee who dines with non travelling client**
    - (i) non travelling client: N N-cannot claim 4202 NA Y
    - (ii) travelling employee: N Y 5101/5105 C N

14. **Food and drink consumed by a travelling employee who dines with non travelling employee (not on overnight business travel)**
    - (i) non travelling employee: Y Y 4201 C Y
    - (ii) travelling employee: N Y 5101/5105 C N
(i) **Morning and Afternoon Tea**
Includes light refreshments such as tea, coffee, fruit drinks, cakes and biscuits, but does not include alcohol.

(ii) **In-house Dining Facility**
A canteen, dining room or similar facility is an in-house dining facility if it is:
1. located on NPemployer premises or, if NPemployer are a company on premises of a company related to NPemployer.
2. operated wholly or principally for providing food and drink on working days to NPemployer employees or, if NPemployer are a company to employees of a company related to NPemployer, and
3. principally not open to the public at any time.

(iii) **Eligible Seminars**
To qualify as an eligible seminar all of the following conditions must be satisfied:
1. there must be a conference, convention, lecture, training session, or educational course;
2. it must have continuous duration of 4 hours or more. Meals, rest or recreation breaks are not treated as affecting the continuity of a seminar and are not taken into account in determining the duration;
3. the sole or dominant purpose of the seminar must not be the promotion or advertising of the University or its goods or services,
4. the sole or dominant purpose of the seminar must not be the provision of entertainment.
5. Generally a meeting will not be an eligible seminar if its sole or dominant purpose is to enable discussion of the affairs of the University between persons associated with the University (unless the meeting qualifies as an 'exempt training seminar').

(iv) **Exempt Training Seminar**
An exempt training seminar must be:
1. organised by or on behalf of the University solely for training employees in matters relevant to the business of the University and/or enabling employees to discuss general policy issues relevant to the internal management of the University’s business,
2. conducted in conference facilities operated by a business operation unrelated to the University.

**Alcohol Involved**
Generally speaking, alcohol drinks involved in the meals are more for entertainment nature. Hence FBT applies. Some exceptions may apply, e.g. a bottle of beer with dinner is probably OK for employee on overnight traveling.

**Minor Benefits Exemption**
Depending on the standard of entertainment provided, the benefit may qualify for the minor benefits exemption. As well as the general criteria for deciding whether a minor benefit should be treated as an exempt benefit for tax-exempt bodies, the exemption is available only where:
1. the entertainment provided is incidental to the entertainment provided to outsiders and does not consist of a meal other than light refreshments, or
2. a function is held on your business premises solely as a means of recognising the special achievements of your employee in a matter relating to the employment of your employee. (Refer to 6)
In these circumstances, only benefits provided to your employee and their associates are exempt from FBT.