A housing fringe benefit arises when the University provides an employee a right to occupy or use any type of accommodation, which is the employee’s usual place of residence. The use of shared accommodation will also be a housing fringe benefit.

If the accommodation is not the usual place of residence of an employee then the accommodation provided is a ‘residual fringe benefit’ [Refer to Part 4.9].

**Calculation of Housing Fringe Benefits Taxable Value**

The taxable value of a housing fringe benefit provided in Australia is measured by using the market value of the accommodation provided or a statutory annual value and is reduced by any rent paid by the employee.

The market value must be determined at the commencement of the arrangement and is thereafter subject to indexation. A new market valuation must be obtained in the 10th year.

The statutory annual value is the annualised market value at the date of last valuation, indexed according to Consumer Price Index movements to the current year.

**Temporary Accommodation**

Where the University provides temporary accommodation to an employee who changes his or her usual place of residence in the course of employment or in order to commence employment, the taxable value of the housing fringe benefit is reduced to $nil.

**Students Occupying Accommodation**

On occasions students may act as suitable caretakers in place of residential assistants who travel overseas or are absent on leave. The University is not liable for housing fringe benefits as long as the student caretaker is not an employee of the University. However, should the student caretaker be an employee of the University a residual fringe benefit may arise [Refer to Part 4.9].

**Residential Assistants**

Where a residential assistant is employed they will be exempt from FBT where they are living away from home. Where the student normally resides at the student village they will not be considered as living away from home as the village is their home.

A declaration [4.7 (Attachment A)] must be obtained by the University for each Residential Assistant in order to be entitled to this exemption.
Remote Area Housing Fringe Benefits

From 1 April 2000 any housing fringe benefits provided in a remote area are exempt from fringe benefits tax. Some examples of what areas the Australian Taxation office considers to be remote for FBT purposes for tax exempt bodies are:

- Kalgoorlie – Boulder
- Busselton
- Newman
- Bunbury
- Broome
- Carnarvon
- Port Hedland

Please note the above list of remote areas is not an exhaustive list, if you are in doubt contact your tax area.

Where the University also reimburses employees for residential fuel (i.e. electricity, water) in connection with the remote area housing fringe benefit, the reimbursement will be an expense payment fringe benefit. The taxable value of the fringe benefit in this case will equal 50% of the amount reimbursed.
Is the house or unit the employee’s usual place of residence?

- Yes
  - Has the employee been provided with a unit of accommodation?
    - Yes
      - Housing Fringe Benefit
    - No
  - No

- Has the employee been provided with a unit of accommodation?
  - Yes
    - Housing Fringe Benefit
  - No

Has the University paid for, or reimbursed, the employee’s rental expenses?

- Yes
  - EXPENSE PAYMENT FRINGE BENEFIT
  - No
  - No FBT implications

- No
  - EXPENSE PAYMENT FRINGE BENEFIT

Is the housing benefit provided in a remote area?

- Yes
  - EXEMPT FROM FBT
- No
  - HOUSING FRINGE BENEFIT SUBJECT TO FBT

Has the University paid an allowance to cover the employee’s food and accommodation expenses?

- Yes
  - LIVING AWAY FROM HOME ALLOWANCE FRINGE BENEFIT
- No
  - No FBT Implications

Has the University paid an allowance to cover the employee’s travelling costs?

- Yes
  - TRAVELLING ALLOWANCE
    - (No FBT implications. Assessable to employee)
- No
  - No FBT Implications

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