



## Employers

### Answers to questions on:

- [Fringe benefits tax \(FBT\)](#).
- [Super guarantee obligations](#)

### Fringe benefits tax (FBT)

During these times you may wish to provide extra assistance to your employees, in addition to their normal employee entitlements. Non-wage benefits may be subject to fringe benefits tax (FBT) unless an exemption applies.

Exemptions from FBT include certain benefits provided to your employees or their associates in an emergency situation.

### Answers to FBT questions on:

- [Emergency accommodation, food and transport](#)
- [Emergency health care](#)
- [Other benefits](#)

Emergency accommodation, food and transport

**Question:** Will I need to pay FBT if I provide an employee affected by COVID-19 with emergency accommodation, food, transport or other assistance?

**Answer:** If you provide or pay for goods or services to assist your employee who is sick, or is at risk of becoming sick, with COVID-19, this will generally be exempt from FBT if the benefit is provided for their immediate relief.

In the context of COVID-19, we will accept that the emergency assistance exemption applies if the assistance is provided to an employee who has been:

- located in a high-risk area and has been relocated

- required to self-isolate.

Assistance may also include:

- temporary emergency meals, food supplies and accommodation for employees stranded overseas due to travel restrictions
- flights for overseas employees to return to Australia.

### **See also:**

- [Fringe benefits tax \(/General/Fringe-benefits-tax-\(fbt\)/\)](#).
- [Emergency assistance \(/General/Fringe-benefits-tax-\(FBT\)/FBT-exemptions-and-concessions/Emergency-assistance/\)](#).

### Emergency health care

**Question:** Will I need to pay FBT if I provide emergency health care to an employee affected by COVID-19?

**Answer:** Exemptions from FBT for emergency health care is limited. They only apply to health care treatment provided:

- by an employee of yours (or an employee of a related company)
- on your premises (or premises of the related company)
- at or adjacent to an employee's worksite.

If you pay for your employee's ongoing medical or hospital expenses, FBT will apply.

However, if you pay for transporting your employee from the workplace to seek medical assistance, the cost is exempt from FBT.

### **See also:**

- [Fringe benefits tax \(/General/Fringe-benefits-tax-\(fbt\)/\)](#).
- [Emergency assistance \(/General/Fringe-benefits-tax-\(FBT\)/FBT-exemptions-and-concessions/Emergency-assistance/\)](#).

### Other benefits

**Question:** Will I need to pay FBT if I provide an employee affected by COVID-19 with other benefits in addition to their salary or wages?

**Answer:** If you provide your employees with a laptop and a portable printer, or other portable electronic devices to enable them to work from home or from another location, these will usually be exempt from FBT if they are primarily used for the employee's employment.

The minor benefits exemption may apply for minor, infrequent and irregular benefits of less than \$300.

**See also:**

- [Fringe benefits tax \(/General/Fringe-benefits-tax-\(fbt\)/\)](#).
- [Work-related items exempt from FBT \(/general/fringe-benefits-tax-\(fbt\)/fbt-exemptions-and-concessions/work-related-items-exempt-from-fbt/\)](#).

## Super guarantee obligations

**Question:** I can't afford to pay my employee's super guarantee contributions by the due date because of COVID-19. What do I need to do?

**Answer:** Legally, we can't extend the due date to pay the super guarantee contributions for your employees.

Pay as much as you can by the due date, even if you can't pay in full. This will reduce the super guarantee charge.

If you didn't pay the full super guarantee by the due date:

- lodge a *Super guarantee charge statement*
- pay the charge to us.

If you do this within the month, there will be no penalties. Interest will still apply.

If you have trouble paying the super guarantee charge, we can work with you to set up a payment arrangement – see [Pay in full or set up a payment plan \(/Business/Super-for-employers/Superannuation-guarantee-amnesty/?=redirected\\_Sgamesty&anchor=HowtopaySGtotheATO#HowtopaySGtotheATO\)](#).

**See also:**

- [Contact us \(/About-ATO/Contact-us/\)](#).
- Super for employers – [Employers affected by disaster \(/business/super-for-employers/paying-super-contributions/missed-and-late-payments/employers-](#)

[affected-by-disaster/](#)).

- Super for employers – [Missed and late payments \(/Business/Super-for-employers/Paying-super-contributions/Missed-and-late-payments/\)](#).

## Employees temporarily working overseas

**Question:** My employees are temporarily working overseas because of COVID-19. Does this affect my super guarantee obligations?

**Answer:** If your employees usually live and work in Australia and are only temporarily working overseas, there is no change to your pay as you go (PAYG) withholding, FBT and super guarantee obligations.

The situation may be more complicated if your employee ends up staying overseas for a lengthy period. We encourage you to first consider existing ATO advice on these issues. If you are unsure of the impact in your circumstances contact us for further guidance.

### See also:

- [Employees who work in a foreign country \(/Business/International-tax-for-business/In-detail/Foreign-income-of-Australian-residents/Employees-who-work-in-a-foreign-country/\)](#).

## Employees temporarily working in Australia

**Question:** I'm an Australian employer and my employee is **not** an Australian resident. They are working in Australia temporarily as a displaced employee because of COVID-19. What are my employer obligations?

**Answer:** You will normally have the same kind of tax obligations for all employees you have working in Australia. This includes PAYG withholding, FBT and super guarantee.

The same withholding rules apply to both your domestic employees and your displaced foreign employees.

Regarding foreign employees, some of these employees will not have an Australian tax liability on their employment income earned while in Australia (see [Not an Australian resident, temporarily in Australia \(? anchor=NonresidentstemporarilyinAustraliaasares#NonresidentstemporarilyinAustraliaasares\)](#)). Where this is the case, there are no PAYG withholding obligations.

We understand in the current environment you may have a larger workforce temporarily situated in Australia because of COVID-19. However it is important to ensure your displaced foreign employees will be supported in the same manner as your domestic staff. We are happy to work with you in setting up to meet your obligations to displaced employees.

**See also:**

- [PAYG withholding \(/business/payg-withholding/\)](/business/payg-withholding/).

**Question:** My employee was temporarily working in Australia because of COVID-19 and I paid superannuation on their behalf. When they leave Australia can they withdraw that super?

**Answer:** Any superannuation paid on behalf of your displaced employees may be able to be withdrawn (subject to eligibility requirements and taxation) by the employee if they leave Australia permanently.

Generally your employee can claim a DASP if the following apply:

- They accumulated superannuation while working in Australia on a temporary resident visa issued under the *Migration Act 1958* (excluding Subclasses 405 and 410).
- Their visa has ceased to be in effect (for example, it has expired or been cancelled).
- They have left Australia.
- They are not an Australian or New Zealand citizen, or a permanent resident of Australia.

**See also:**

- [Departing Australia superannuation payment \(DASP\) \(/individuals/super/in-detail/temporary-residents-and-super/super-information-for-temporary-residents-departing-australia/\)](/individuals/super/in-detail/temporary-residents-and-super/super-information-for-temporary-residents-departing-australia/).
- [Eligibility for DASP \(/individuals/super/in-detail/temporary-residents-and-super/super-information-for-temporary-residents-departing-australia/?page=2#Eligibility\\_for\\_DASP\)](/individuals/super/in-detail/temporary-residents-and-super/super-information-for-temporary-residents-departing-australia/?page=2#Eligibility_for_DASP).

**Return to:**

- [COVID-19 frequently asked questions \(? anchor=COVID19frequentlyaskedquestions#COVID19frequentlyaskedquestions\)](#).

## **Our commitment to you**

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

## **Copyright notice**

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).