

LAFHA and Fringe Benefits Tax



The Living Away from Home Allowance (LAFHA) is paid to employees who live away from home to work for their employer to compensate them for additional expenses or disadvantages that arise from doing so.

Expatriates working in Australia may be eligible to receive LAFHA, and as part of their salary package, one element of LAFHA that has Fringe Benefits Tax implications is the food component.

Under the LAFHA scheme, people in receipt of the allowance are able to recover the cost of food incurred while living away from home.

How much FBT applies to the food component of LAFHA?

FBT applies to a 'reasonable food component of LAFHA and from 1 April 2011, the amount considered

acceptable is listed as follows:

Who	Per week
One adult	\$233
Two adults	\$373
Three adults	\$419
One adult and one child	\$301
Two adults and one or two children	\$419
Two adults and three children	\$488
Three adults and one child	\$488
Three adults and two children	\$558
Four adults	\$558

'Adults' for this purpose are persons who had attained the age of 12 years before the beginning of the FBT year. In relation to larger family groupings, the Commissioner accepts a food component based on the above figures plus \$140 for each additional adult and \$68 for each additional child.

More information

Contact Matt Zhou on **0432 772 292** or mzhou@batescosgrave.com.au. Alternatively, contact Bates Cosgrave on (02) 9957 4033 to find out more about our services, and to discuss your specific requirements.

Contact Us

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