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CHANGES TO FBT A WIN FOR HOTELS AND PATRONS

Tourism Accommodation Australia has backed calls by the NSW Government to scrap or suspend the Fringe Benefits Tax (FBT) on meals and accommodation.

NSW Treasurer Dominic Perrottet raised the idea at yesterday's Sydney CBD Summit as a way to pump life back into the city's struggling restaurants, pubs and accommodation hotels.

TAA NSW and National CEO Michael Johnson, who attended the Summit, said it was an idea the Association had been pushing for some time.

“The exemption of FBT on meals and accommodation was part of the TAA budget submission to the Federal Government and is far more wide-ranging than just bringing back the ‘long lunch’,” Mr Johnson said.

“The ‘big end of town’ has already worked out how to avoid FBT by hosting their own boardroom lunches – it’s time to give workers at the smaller end a similar break.

“Suspending FBT could mean a business could reward an employee with a weekend away and a meal and not be taxed on it. This is a great initiative to stimulate our sector and also a way cash-strapped businesses can reward employees.

“It really would be a win for all parties and would make a difference – even as a short-term measure.”

Mr Johnson said he also spoke with the Treasurer about the worsening skills shortage in hospitality, particularly across the regions, without working holiday makers and international students.

“I discussed the return of international students with the Treasurer who confirmed he is spear-heading the initiative and is hopeful of a solution in the coming weeks,” he said.

Mr Johnson said the easing of the two square metre rule and getting workers back into the CBD was vital for struggling accommodation hotels.

“We also raised the need for accommodation vouchers to be implemented as soon as possible as well as an additional Dine and Discover voucher to be used on Fridays in the 2000 CBD postcode,” he said.

Media Contact: Craig Vaughan 0423 796 382