

Revamp of the Chart of Accounts for Entertainment (Food & Drink & related expenses)

Using the 50/50 Split Method from 1 April 2006

- 33201 Meal Entertainment for All - Staff (current, former & future), Associates and Non-Staff**
Includes **business lunches, business dinners and social functions** even when there is a genuine business motive. Includes any food&drink which is consumed in off-campus or non-USQ owned and operated venues (eg The Coffee Shop), any food&drink consumed on campus where alcohol is also served, all alcohol purchases, any food which is more substantial than finger food such as buffet or sit-down meals served anywhere on campus **and** any instance where hospitality is extended to others.
- (50% will be subject to FBT liability, and 50% of GST credits only will be claimable)*
Users will no longer need to apportion these costs once Meal Entertainment has been identified.
- 33203 Contract, Travel & Promotion Meals**
- (a) Contract of Service** - Where food, drink, entertainment are provided under a contract of service eg OPACS/LTSU tour groups, Corporate Club functions, Performance Centre Candy Bar purchases for resale, any function which provides food and drink where attendees pay to attend (eg conferences and graduation dinners), includes TEPA projects where the funding contract specifically includes the provision of food&drink for students, also includes University events such as Graduations and Student Orientations where light refreshments only are provided.
- (b) Promoting University Services** - Where expenses are incurred to promote the USQ **and** the event is open to the community at large by advertisement in the media eg Professorial Lectures, Open Day events etc
- (c) Overnight Travel - Meal With No Hospitality**
Employee travels away from home overnight (within Australia) and does not claim or receive a Daily Travel Allowance but is merely reimbursed actual costs; employee dines alone or with another travelling employee or with a client who is also travelling. (**Note:** If spouse/partner accompanies a staff member then partner's meal must be coded to 32980 Taxable Benefits subject 100% to FBT). Apportionment is on per head basis.
(No FBT liability and GST credits claimable for (a), (b), and (c)).
- 33204 Employee & Guest Amenities**
All morning & afternoon teas and light lunches that do not include alcohol - **consumed on university premises on a working day, with business purpose, for current-employees & non-employees** such as students and agents but not for associates and former employees. Includes tea and coffee making facilities (eg kettles, toasters etc < \$300), associated kitchen supplies (sugar, milk, cups etc), purified water, lollies and nibbles, cakes, biscuits & slices, sandwiches & wraps, pizza & pies, BBQ meat with salad on rolls - not more than finger food. (**Excludes** buffet & sit-down meals - code 33201; **excludes** all refreshments for associates and former employees - code to 32980 Taxable Benefits; **excludes** functions that do not have business purpose - code 33201).
(No FBT liability and GST credits claimable)
- 33206 "Eligible" Seminars conducted by USQ**
- (a) An **eligible seminar** conducted on University premises must have a dominant **education type motif** and must have **duration of more than 4 hours** (not including time taken to consume refreshments), if all conditions met, then more substantial food and drink may be served including alcohol. Excludes business meetings eg board meetings and faculty retreats.
- (b) A **business meeting** may be treated as an **eligible seminar** if three conditions are present:-
- (i) meeting has **duration of more than four hours** (not including refreshment time); **and**
 - (ii) the seminar is generally organised by employer, to train the employer and/or the employees in matters relevant to the business and/or to enable discussions on general policy issues relevant to the internal management of the business; **and**
 - (iii) the **venue must be a bona fide conference facility**, not owned or operated by the employer but by a third party whose business includes the organising of seminars or making property available for conducting seminars (more than a mere function room).
- If all conditions are met**, then more substantial food and drink may be served including alcohol.
(No apportionment required - no FBT liability and GST credits claimable)
- 32941 Hospitality Industry Exempt Benefits**
Meals provided by the employer in a "dining facility" to on-duty employees who perform most of their duties in connection with that "dining facility" i.e. a restaurant or café on property that the employer occupies (**excludes** food and drink which are provided at a party, reception or other social function - see account 33201 Meal Entertainment)
- 32980 Taxable Benefits (Non-Packaged)**
Benefits provided to employees and their associates, where no salary packaging agreement is in place. Includes associate's meal when staff person is travelling but the accompanying associate is **not** performing "substantial duties" for the employer. Includes JP courses and registration fees, movie tickets and movie vouchers as gifts to staff, golf entry fees or green fees, tickets to sporting or theatrical events other than USQ theatre, etc.
These benefits are not tax deductible - FBT liability and GST credits claimable.