



Fringe Benefits Tax Act 1986

No. 40 of 1986

**An Act to impose a tax in respect of the value of certain
fringe benefits provided in respect of the employment of
employees**

[Assented to 24 June 1986]

BE IT ENACTED by the Queen, and the Senate and the House of
Representatives of the Commonwealth of Australia, as follows:

Short title

1. This Act may be cited as the *Fringe Benefits Tax Act 1986*.

Commencement

2. This Act shall come into operation on the day on which the *Fringe Benefits Tax Assessment Act 1986* comes into operation.

Incorporation

3. The *Fringe Benefits Tax Assessment Act 1986* is incorporated and shall be read as one with this Act.

Fringe Benefits Tax No. 40, 1986

Act to bind Crown

4. This Act binds the Crown in right of each of the States, of the Northern Territory and of Norfolk Island.

Imposition of tax

5. Tax is imposed in respect of the fringe benefits taxable amount of an employer of a year of tax.

Rates of tax

6. The rate of tax in respect of the fringe benefits taxable amount of an employer of a year of tax is—

- (a) in the case of the year of tax that commences on 1 July 1986—46%; and
- (b) in the case of the year of tax that commences on 1 April 1987 or a subsequent year of tax—49%.

Severability

7. It is the intention of the Parliament that if, but for this section, section 5 of this Act would impose a tax on property of any kind belonging to a State within the meaning of section 114 of the Constitution, section 5 of this Act shall have effect as if it did not impose that tax.

*[Minister's second reading speech made in—
House of Representatives on 2 May 1986
Senate on 27 May 1986]*