

**Staff Development – University Study**

- ▶ **Staff Development Scheme – HECS Exemption Scholarship**
  - ▶ In-house residual benefit, UTAS receives generous tax concessions and in many instances FBT will not apply.
  - ▶ Where FBT does apply, FBT is payable by corporate account not the Budget Centre.
  - ▶ Where the grossed up taxable value is \$2,000 or more – benefit will be a reportable fringe benefit.
  - ▶ For further information contact Carol Connors x3655 or Lyn Maloney x3538 or [Lyn.Maloney@utas.edu.au](mailto:Lyn.Maloney@utas.edu.au)
  
- ▶ **HECS – direct payment to UTAS or other Uni or by reimbursement to employee**
  - ▶ Subject to FBT for the entire amount, FBT payable by the Budget Centre.
  - ▶ Where the grossed up taxable value is \$2,000 or more – benefit will be a reportable fringe benefit.

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- ▶ **Payment or Reimbursement of full fee paying units/courses**
  - ▶ Where the payment is 'otherwise deductible', FBT will not apply
  - ▶ Otherwise deductible rule
    - ▶ This means that the taxable value of the benefit may be reduced by the amount which an employee would have been entitled to claim as an income tax deduction (self education expenses) in their personal tax return if the benefit was not paid for, reimbursed or provided by UTAS.
    - ▶ For the claim to be a self education expense, it needs to be demonstrated that the unit/study being undertaken relates to a current position or current assessable income.
  - ▶ To ensure FBT does not apply, staff should complete the Educational – Expense Payment Benefit Declaration and submit the form with all payment and reimbursement requests and any BCMS claims. The declaration is available from the forms section of Finance website
  - ▶ [http://www.utas.edu.au/docs/fin\\_services/forms/education\\_expenses\\_declaration.pdf](http://www.utas.edu.au/docs/fin_services/forms/education_expenses_declaration.pdf)

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- ▶ **Payment or Reimbursement of full fee paying units/courses**
  - ▶ Where the payment or reimbursement is not otherwise deductible, FBT will apply and is payable by the Budget Centre
  - ▶ Where the grossed up taxable value is \$2,000 or more – benefit will be a reportable fringe benefit.
  
- ▶ For any queries in relation to FBT and staff development please contact Business Services on Exn 3655