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ARGYLE COMMUNITY HOUSING LTD

DIRECTORS' TRAVEL AND BUSINESS EXPENSES POLICY

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1. PURPOSE

- 1.1 The Board of Argyle Community Housing Ltd (**Argyle Housing** or the **Company**) has established this Directors' Travel and Business Expenses (**Policy**) is to properly define, record and reimburse expenses reasonably incurred by directors in the conduct of the affairs of Argyle Housing.

2. POLICY STATEMENT

- 2.1 This Policy outlines directors' entitlement to reimbursement of travel, accommodation and general business expenses, and related procedures.

3. TRAVEL - GENERAL

- 3.1 Travel arrangements will be made to minimise travel and incidental expenses to Argyle Housing, having regard to individual privacy, work health & safety (**WHS**), employment requirements, cost, accessibility, travel time, personal & administrative effort, and resource use. Travel to Board or Committee meetings and between offices must be by the most cost effective mode of transport, taking into account journey time as well as monetary cost. Specifically, directors may claim out of pocket expenses related to Company travel, including meals, taxi and claims for kilometres travelled, for travel between home and Board or Committee meetings or pre-approved visits to Argyle Housing's operating locations.
- 3.2 When private travel is undertaken incidental to, or as an extension of, travel for Company business, then the director shall either reimburse Argyle Housing for all private expenses incurred (including increased travel and accommodation costs due to deviations and extensions to travel), or personally meet those expenses at the time they are incurred.
- 3.3 Where official business is to be undertaken to coincide with private travel, the Chair must approve the arrangements in advance, including any intention to seek reimbursement of appropriate expenses. In the instance where the Chair requires approval, the reimbursement is to be approved by the Chair of the Audit and Risk Committee. These arrangements are necessary to clarify the status of the travel in case of any possible claim for workers' compensation or other insurance or benefits.

4. AIR TRAVEL

- 4.1 Except for approved WHS, maternity or disability reasons, air travel shall be 'Economy Class' for flights 8 hours or less and 'Business Class' for flights over 8 hours. Whenever possible, flights should be booked well in advance using the most cost effective ticketing arrangements and in accordance with the Company's *Travel Procedure* attached as **Appendix 3**.
- 4.2 The Chief Executive Officer's (**CEO**) office will make travel arrangements for directors to fit their personal circumstances but that if this is not possible, directors can make their own air travel arrangements in accordance with this Policy. Where a group of directors is flying together, the CEO's office will make the travel arrangements.
- 4.3 Any travel upgrades and lounge memberships are the director's personal expense and will not be reimbursed by the Company. However, the directors may retain any frequent flyer points for personal use.
- 4.4 Air travel for partners will be at the directors' expense unless otherwise approved by the Chair. The Chair may approve such travel if it is considered reasonable and within the interests and for the betterment of Argyle Housing.

5. MOTOR VEHICLE TRAVEL

- 5.1 Directors use their private vehicles entirely at their own risk. Directors must register and insure their vehicle (at least for 3rd party accident claims), and always observe appropriate road rules and meet any traffic and general road legislative requirements.
- 5.2 If a director's vehicle is involved in an accident or otherwise damaged while being used on official travel (with no fault on the director) then the Chair may consider an application for reimbursement up to the value of the insurance excess.

- 5.3 Where it is cost effective to make a business journey by car, directors will be paid the ATO approved per-kilometre motor vehicle allowance (\$0.72 per-kilometre for FY2021 as per the ATO's Cents per Kilometre Method for FY2021 - **Appendix 1**) for travel between Board or Committee meetings or pre-approved visits to Argyle Housing's operating locations.

6. TAXI

- 6.1 Taxis should only be used where necessary. If a taxi is used, a receipt should be obtained for the fare and submitted with the expenses claim.

7. ACCOMODATION & MEALS

- 7.1 Argyle Housing will book accommodation on behalf of directors attending Board meetings, Committee meetings or similar Argyle Housing meetings. Directors requiring accommodation while on other Company business should make their own arrangements, wherever possible, through the CEO's office. If a booking is made directly with the hotel by a director, a copy of the hotel bill must be attached to the expenses claim. As far as possible, accommodation should be selected for convenience and booked in advance to obtain the best possible rates.
- 7.2 The standard of accommodation for directors on Argyle Housing business is to be no higher than the standard organised by Argyle Housing for Board and other meetings, unless safety or other reasonable factors dictate in the circumstances.
- 7.3 When a journey on behalf of the Company makes it necessary to stay away from home overnight, reasonable out of pocket expenses incurred will be reimbursed. The figures below are not flat rate allowances but limits on the amount of actual expenditure that will be reimbursed against receipts and are set out in the Australian Tax Office's Taxation Determination for reasonable amounts for travel, accommodation, meals and expenses incidental to travel (**TD 2020/5** for FY2021 - see **Appendix 2**):
- Hotel bills (see Tables 1 and 4 in TD 2020/5);
 - Breakfast (\$28.70), Lunch (\$32.30), evening meal and beverages \$55.05), to an overall maximum of \$116.05 per day; and
 - Other personal incidental expenses such as private telephone calls, newspapers, laundry and alcoholic drinks, to an overall maximum of \$20.40 a night.
- 7.4 The Chair may authorise the reimbursement of payment for accommodation and meals for partners if it is considered to be reasonable and in the best interests and for the betterment of Argyle Housing.
- 7.5 The Company's *Travel Procedure* attached as **Appendix 3**.

8. ATTENDANCE AT CONFERENCES

- 8.1 Argyle Housing will meet the reasonable expenses of a director attending a professional development program / conference to encourage directors to participate in relevant training and development programs, with the prior approval of the Chairman.

9. PROFESSIONAL MEMBERSHIP FEES

- 9.1 Argyle Housing will pay for the annual Australian Institute of Company Directors professional membership fee for a director, excluding any additional fees or costs associated with the membership except in relation to attendance at conferences.

10. CLAIMS

- 10.1 Claims for reimbursement of expenses must be submitted to the CEO's office within 30 days of incurring the expense, accompanied by appropriate receipts, tax invoices or other supporting documents. For convenience, these can be submitted in hard copy or electronically. Claims made for expenses incurred greater than 30 days will not be reimbursed.
- 10.2 Any claim by directors must be approved by the Chair prior to submission. Any claim by the Chair must be approved by the Chair of the Audit and Risk Committee prior to submission.
- 10.3 Argyle Housing's Chief Financial Officer can approve expenses being processed.

11. REVIEW OF POLICY

11.1 Unless the Argyle Housing Board determines otherwise, this policy will be reviewed each financial year or as required by the Board.

12. APPROVED AND ADOPTED

12.1 This Policy was approved and adopted by the Board on 24 June 2020.

Version Control

Version No	Date	Revised By	Description	Board approved
1.0	March 2018	Company Secretary	Policy establishment	24 April 2018
2.0	Sept 2019	Company Secretary	Rate update	26 November 2019
3.0	May 2020	Company Secretary	Annual review	24 June 2020

Cents per kilometre method

Only use this method if you are a sole trader or partnership (where at least one partner is an individual) claiming for a [car](#).

On this page:

- [This method](#)
- [Rates](#)
- [How you use this method](#)

This method

The cents per kilometre method:

- uses a set rate for each kilometre travelled for business
- allows you to claim a maximum of 5,000 business kilometres per car, per year
- doesn't require written evidence to show exactly how many kilometres you travelled (but we may ask you to show how you worked out your business kilometres, for example diary records)
- uses a rate that takes all your vehicle running expenses (including registration, fuel, servicing and insurance) and depreciation into account.

Rates

Rates are reviewed regularly. The rate is:

- 72 cents per km for 2020–21
- 68 cents per km for 2018–19 and 2019–20
- 66 cents per km for 2017–18, 2016–17 and 2015–16.

How you use this method

To work out how much you can claim, multiply the total business kilometres you travelled by the rate.



Taxation Determination

Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2020–21 income year?

📌 Relying on this Ruling

This publication (excluding appendixes) is a public ruling for the purposes of the *Taxation Administration Act 1953*.

If this Ruling applies to you, and you correctly rely on it, we will apply the law to you in the way set out in the Ruling. That is, you will not pay any more tax or penalties or interest in respect of the matters covered by this Ruling.

Further, if we think that this Ruling disadvantages you, we may apply the law in a way that is more favourable to you.

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Ruling

1. This Determination sets out the amounts that the Commissioner considers are reasonable (reasonable amounts) for the substantiation exception¹ in Subdivision 900-B of

¹ This Determination should be read together with Taxation Ruling TR 2004/6 *Income tax: substantiation exception for reasonable travel and overtime meal allowance expenses* which explains the substantiation exception and the way in which these expenses are able to be claimed.

the *Income Tax Assessment Act 1997* (ITAA 1997)² for the 2020–21 income year in relation to claims made by employees for:

- overtime meal expenses – for food and drink when working overtime
- domestic travel expenses – for accommodation, food and drink, and incidentals when travelling away from home overnight for work (particular reasonable amounts are given for employee truck drivers, office holders covered by the Remuneration Tribunal and Federal Members of Parliament), and
- overseas travel expenses – for food and drink, and incidentals when travelling overseas for work.

2. The approach outlined can only be used where you receive an allowance to cover the particular expenses you are claiming – for example, you received an accommodation allowance and are claiming accommodation expenses. This Determination is not relevant to you where you do not receive an allowance to cover your expenses.

3. The reasonable amounts only provide the maximum amount you can claim without being required to substantiate your expenditure (refer to paragraph 33 of TR 2004/6). If you rely on the reasonable amounts and the ATO checks your income tax return, you will still be required to show:

- you spent the money in performing your work duties (for example, in travelling away from home overnight on a work trip)
- how you worked out your claim (for example, you kept a diary)
- you spent the money yourself (for example, using your credit card statement or other banking records) and were not reimbursed (for example, a letter from your employer), and
- you correctly declared your allowance as income in your tax return.

Reasonable amount for overtime meal expenses

4. For the 2020–21 income year the reasonable amount for overtime meal expenses is \$31.95.

Example 1

5. *Samantha works for the local government. She is asked to work overtime one night to complete an urgent task. Samantha works her eight-hour day followed by four hours of overtime. Samantha receives an overtime meal allowance of \$14.98 pursuant to her agreement which is shown on her payment summary. During the overtime Samantha takes a rest break to get a meal and returns to continue her overtime. Samantha spends \$20 on her meal.*

6. *Because Samantha has spent less than the reasonable amount for overtime meal expenses, she can claim a deduction for the \$20 she spends and she is not required to substantiate the expenditure (for example, get and keep the receipt for the meal).*

² All legislative references are to the ITAA 1997 unless otherwise indicated.

7. *If Samantha's tax return is checked by the ATO she may be asked to explain her claim for deduction. To do this, Samantha would show that she worked overtime, that she was paid an overtime meal allowance under an industrial instrument, that she correctly declared this allowance as income in her tax return, and that she costed her meal at \$20 based on the cost of the curry and drink she purchased from a nearby Thai restaurant.*
8. *If Samantha had spent more than the reasonable amount and wanted to claim the higher amount that she spent, she would need to get and keep the receipt for the meal.*
9. *If Samantha's overtime meal allowance was not shown on her payment summary and she fully spent the allowance, she can choose to leave it out of her tax return and not claim a deduction for the meal she purchases when working overtime.*

Reasonable amounts for domestic travel expenses

10. The following reasonable amounts do not apply to employee truck drivers³, office holders covered by the Remuneration Tribunal⁴, or Federal Members of Parliament.⁵
11. Reasonable amounts are provided for three salary levels. Salary excludes any allowances received. Use Table 1 if your salary is \$126,970 and below. Use Table 2 if your salary is between \$126,971 and \$225,980. Use Table 3 if your salary is \$225,981 or more.
12. Reasonable amounts are given for:
- accommodation at daily rates (for domestic travel only)
 - meals (showing breakfast, lunch and dinner), and
 - expenses incidental to travel.
13. These amounts are shown for the following travel destinations:
- each Australian State and Territory capital city (see Tables 1 to 3 of this Determination)
 - certain specified high cost regional and country centres (see Table 4 of this Determination for individual amounts)
 - other specified regional and country centres (a common amount is given for locations listed in Table 5 of this Determination), and
 - all other regional and country centres (a common amount is given for all locations not listed in Tables 4 or 5 of this Determination).
14. The reasonable amount for accommodation applies only for short stays in commercial establishments like hotels, motels and serviced apartments. If a different type of accommodation is used (for example, a hostel or caravan park), the reasonable amount cannot be used even if you receive an allowance.

³ See paragraphs 23 to 30 of this Determination for the rates for truck drivers.

⁴ Paragraphs 66 to 69 of TR 2004/6 say claims made by office holders covered by the Remuneration Tribunal are considered to be reasonable amounts if they do not exceed the rate of allowances set by the Remuneration Tribunal for that office holder.

⁵ Paragraphs 70 and 71 of TR 2004/6 say travel allowances paid to Federal Members of Parliament and Federal Parliamentary Secretaries, under the arrangements that commenced on 14 April 1998, are considered reasonable amounts for the recipients of those allowances. This includes the capital city and Canberra travel allowance rates for domestic travel, having regard to the circumstances under which those allowances are paid.

TD 2020/5

15. The reasonable amount for meals depends on the period and time of travel. That is, the reasonable amounts only apply to meals (that is, breakfast, lunch and dinner) that fall within the time of day from the commencement of your travel to the end of your travel that is covered by the allowance. For example, if you leave at 10.00am on Monday and return home at 3.00pm on Tuesday you can apply the reasonable amounts for lunch and dinner on Monday and breakfast and lunch on Tuesday.

16. The reasonable amount for incidentals applies in full to each day of travel covered by the allowance, without the need to apportion for any part-day travel on the first and last day.

17. The reasonable amounts for domestic travel expenses, according to salary levels and destinations, for the 2020–21 income year, are shown in Tables 1 to 5 of this Determination as follows:

Place	Accomm. (\$)	Food and drink (\$) breakfast 28.70 lunch 32.30 dinner 55.05	Incidentals (\$)	Daily total (\$)
Adelaide	157	as above	20.40	293.45
Brisbane	175	as above	20.40	311.45
Canberra	168	as above	20.40	304.45
Darwin	220	as above	20.40	356.45
Hobart	147	as above	20.40	283.45
Melbourne	173	as above	20.40	309.45
Perth	180	as above	20.40	316.45
Sydney	188	as above	20.40	324.45
High cost country centres	see Table 4	as above	20.40	variable
Tier 2 country centres (see Table 5)	134	breakfast 25.75 lunch 29.35 dinner 50.65	20.40	260.15
Other country centres	114	breakfast 25.75 lunch 29.35 dinner 50.65	20.40	240.15

Place	Accomm. (\$)	Food and drink (\$) breakfast 31.25 lunch 44.25 dinner 61.95	Incidentals (\$)	Daily total (\$)
Adelaide	208	as above	29.20	374.65
Brisbane	257	as above	29.20	423.65
Canberra	246	as above	29.20	412.65
Darwin	293	as above	29.20	459.65
Hobart	196	as above	29.20	362.65
Melbourne	228	as above	29.20	394.65
Perth	245	as above	29.20	411.65
Sydney	251	as above	29.20	417.65

Table 2: Employee's annual salary – \$126,971 to \$225,980				
Place	Accomm. (\$)	Food and drink (\$) breakfast 31.25 lunch 44.25 dinner 61.95	Incidentals (\$)	Daily total (\$)
High cost country centres	see Table 4	as above	29.20	variable
Tier 2 country centres (see Table 5)	152	breakfast 28.70 lunch 29.35 dinner 57.20	29.20	296.45
Other country centres	136	breakfast 28.70 lunch 29.35 dinner 57.20	29.20	280.45

Table 3: Employee's annual salary – \$225,981 and above				
Place	Accomm. (\$)	Food and drink (\$) breakfast 36.80 lunch 52.20 dinner 73.10	Incidentals (\$)	Daily total (\$)
Adelaide	209	as above	29.20	400.30
Brisbane	257	as above	29.20	448.30
Canberra	246	as above	29.20	437.30
Darwin	293	as above	29.20	484.30
Hobart	196	as above	29.20	387.30
Melbourne	265	as above	29.20	456.30
Perth	265	as above	29.20	456.30
Sydney	265	as above	29.20	456.30
All country centres	\$195, or the relevant amount in Table 4 if higher	as above	29.20	variable

Table 4: High cost country centres – accommodation expenses			
Country centre	\$	Country centre	\$
Albany (WA)	179	Kalgoorlie (WA)	172
Alice Springs (NT)	150	Karratha (WA)	215
Ballarat (VIC)	151	Katherine (NT)	158
Bathurst (NSW)	135	Kununurra (WA)	204
Bega (NSW)	145	Launceston (TAS)	141
Benalla (VIC)	140	Mackay (QLD)	161
Bendigo (VIC)	138	Maitland (NSW)	152
Bordertown (SA)	149	Mount Gambier (SA)	140
Bourke (NSW)	165	Mount Isa (QLD)	160

Bright (VIC)	165	Mudgee (NSW)	150
Broken Hill (NSW)	144	Muswellbrook (NSW)	148
Broome (WA)	220	Newcastle (NSW)	174
Bunbury (WA)	155	Newman (WA)	170
Burnie (TAS)	164	Nhulunbuy (NT)	222
Cairns (QLD)	153	Norfolk Island (NSW)	190
Carnarvon (WA)	156	Northam (WA)	143
Castlemaine (VIC)	146	Orange (NSW)	155
Chinchilla (QLD)	143	Port Hedland (WA)	175
Christmas Island (WA)	190	Port Lincoln (SA)	170
Cocos (Keeling) Islands (WA)	319	Port Macquarie (NSW)	161
Coffs Harbour (NSW)	140	Port Pirie (SA)	150
Colac (VIC)	138	Queanbeyan (NSW)	139
Dalby (QLD)	164	Queenstown (TAS)	136
Dampier (WA)	175	Roma (QLD)	139
Derby (WA)	170	Shepparton (VIC)	148
Devonport (TAS)	158	Swan Hill (VIC)	136
Emerald (QLD)	156	Tennant Creek (NT)	146
Esperance (WA)	160	Toowoomba (QLD)	144
Exmouth (WA)	190	Thursday Island (QLD)	200
Geraldton (WA)	165	Townsville (QLD)	143
Gladstone (QLD)	155	Wagga Wagga (NSW)	144
Gold Coast (QLD)	209	Wangaratta (VIC)	142
Gosford (NSW)	140	Weipa (QLD)	138
Halls Creek (WA)	170	Whyalla (SA)	145
Hervey Bay (QLD)	157	Wilpena-Pound (SA)	193
Horn Island (QLD)	200	Wollongong (NSW)	155
Horsham (VIC)	152	Wonthaggi (VIC)	150
Jabiru (NT)	216	Yulara (NT)	420

Table 5: Tier 2 country centres

Country centre	Country centre
Albury (NSW)	Hamilton (VIC)
Ararat (VIC)	Innisfail (QLD)
Armidale (NSW)	Kadina (SA)
Ayr (QLD)	Kingaroy (QLD)
Bairnsdale (VIC)	Lismore (NSW)
Bundaberg (QLD)	Mildura (VIC)
Ceduna (SA)	Naracoorte (SA)
Charters Towers (QLD)	Nowra (NSW)
Cobar (NSW)	Port Augusta (SA)

Cooma (NSW)	Portland (VIC)
Cowra (NSW)	Renmark (SA)
Dubbo (NSW)	Rockhampton (QLD)
Echuca (VIC)	Sale (VIC)
Geelong (VIC)	Seymour (VIC)
Goulburn (NSW)	Tamworth (NSW)
Grafton (NSW)	Tumut (NSW)
Griffith (NSW)	Warrnambool (VIC)
Gunnedah (NSW)	Wodonga (VIC)

Example 2

18. Svetlana is an accountant earning \$145,000 a year. As part of her duties, she is required to travel to and work in Sale for four days and three nights each month. Svetlana's employer pays for her accommodation directly and gives her a meal and incidental allowance of \$80 per day for the four days of travel. This allowance is shown on her payment summary. Svetlana's usual pattern is to eat three times a day, spending \$20 on breakfast, \$25 on lunch and \$40 on dinner (that is, a total of \$85 per day). Svetlana calculates the daily reasonable amount for meals and incidentals as follows:

- Table 2 of this Determination applies because Svetlana's salary is between \$126,971 and \$225,980
- Sale is listed as a Tier 2 country in Table 5 of this Determination
- Table 2 of this Determination provides reasonable amounts for Tier 2 country centres as \$115.25 per day for meals and \$29.20 per day for incidentals (that is, a total of \$144.45 per day).

19. Because Svetlana has spent less than the reasonable amount on meals and incidentals, she can claim a deduction for the \$85 per day that she spends on meals and she is not required to substantiate the expenditure (for example, get and keep all of the receipts for the meals). Svetlana cannot claim anything for accommodation because her employer paid for it.

20. If Svetlana's tax return is checked by the ATO she may be asked to explain her claim for deduction. To do this Svetlana would show she travelled to and worked in Sale for four days each month, that she received an allowance for the meals and incidentals for each day she travelled, that she correctly declared this allowance as income in her tax return, and that she typically spent \$85 a day on meals and incidental expenses (for example, by reference to diary entries, bank records and receipts that she kept for some of the trips).

21. If Svetlana had spent more than the reasonable amount on meals and incidentals and wanted to claim the higher amount that she spent, she would need to get and keep all of the receipts.

22. If Svetlana's meal and incidental allowance was not shown on her payment summary and she fully spent the allowance, she can choose to leave it out of her tax return and not claim any deductions for the meals and incidentals that she purchases whilst travelling and working in Sale.

Reasonable amounts for domestic travel expenses for employee truck drivers⁶

23. Reasonable amounts are given for meals (breakfast, lunch and dinner). The amounts are for all domestic travel destinations (that is, capital cities, regional and country centres). For the 2020–21 income year, the relevant amounts are as set out in Table 5a:

Breakfast	Lunch	Dinner
\$25.75	\$29.35	\$50.65

24. The amounts for each of these meal breaks are separate and cannot be aggregated into a single daily amount. This is of particular importance for the days on which travel commences and ends, when some meals may not be deductible because they are not consumed in the course of work travel. A driver's work diary (as maintained for fatigue management purposes) can be used to demonstrate when meal breaks were taken, since employee truck drivers may take meal breaks at different times of the day compared to other taxpayers. It should also be noted that amounts can't be moved from one meal to another (for example, if the full amount for breakfast is not expended, it cannot be carried over to lunch or dinner).

25. The deduction allowed for each meal is the amount actually spent and not simply the reasonable amount specified in paragraph 23 of this Determination. Although the formal substantiation requirements don't apply for claims up to the reasonable amount, taxpayers should still be able to demonstrate the basis for their claims. Example 3 of this Determination shows how this can be done.

26. All accommodation expenses and incidental expenses (for example, the cost of a shower) incurred by employee truck drivers as part of work-related travel must be substantiated with written evidence (for example, a receipt).

Example 3

27. *Glenn is an employee truck driver. He is required to drive from Melbourne, Victoria to Adelaide, South Australia. Glenn leaves Melbourne at 9.00pm, sleeps away from home overnight in his truck cab, then drives back to Melbourne the following day. Glenn is paid a travel allowance of \$40 for each day. These amounts are shown on his payment summary.*

28. *Glenn stops around midnight at a 24-hour truck stop in Horsham and spends \$25 on food and drink. He then continues to Adelaide where he snacks on a sandwich and fruit that he brought from home, before having a sleep in the truck cab. In the morning Glenn spends \$20 on food and drink at the truck stop where he parked overnight. After the truck is unloaded and reloaded Glenn heads to Bordertown, South Australia where he stops for lunch. Here he spends \$25 on food and drink. He then continues to Melbourne arriving at 5.00pm, snacking on almonds and water that he brought from home as he drives.*

29. *Because Glenn spent less than the reasonable amount for each of dinner, breakfast and lunch, he can claim a deduction for the full amount that he spent on those meals (\$70) and is not required to obtain and keep all of the receipts for these meals. He may still need to provide a reasonable explanation of the expenses and so the receipts could be useful in demonstrating a pattern (see paragraph 30 of this Determination).*

⁶ For further information on truck drivers refer to paragraphs 72 to 75 of TR 2004/6 and to Taxation Ruling TR 95/18 *Income tax: employee truck drivers-allowances, reimbursements and work-related deductions*.

30. *If Glenn's tax return is checked by the ATO he may be asked to explain his claim for these amounts. would need to show that he travelled to and from Adelaide (for example, his work diary), that he received an allowance for the meals for each day that he travelled, that he correctly declared this allowance as income in his tax return, and demonstrate his typical spending pattern on meals. This could be by reference to diary entries, bank records and receipts kept for some (a representative sample) of his trips.*

Reasonable amounts for overseas travel expenses

31. If you are travelling overseas and are away from your usual residence for six or more nights in a row, you must still keep travel records even if you rely on the reasonable amounts and don't have to substantiate your expenses. Travel records may include ticketing information, diary entries or other information setting out the nature of your travel, the day and time it began, how long it lasted and where you travelled.

32. Reasonable amounts are provided for three salary levels. Salary excludes any allowances received.

- Use Table 6 of this Determination if your salary is \$126,970 and below.
- Use Table 7 of this Determination if your salary is between \$126,971 and \$225,980.
- Use Table 8 of this Determination if your salary is \$225,981 or more.

33. Reasonable amounts are given for:

- meals (showing breakfast, lunch and dinner), and
- expenses incidental to travel.

Any expenditure on accommodation overseas must be fully substantiated.

34. Reasonable amounts are shown for cost groups to which a country has been allocated. Table 9 of this Determination sets out the cost group to which a country has been allocated.

35. If you travel to a country that is not shown in Table 9 of this Determination, use the reasonable amount for Cost Group 1 in the table relevant to your salary range.

36. If you travel to two or more countries in the same day, use the cost group of the country that is in the higher cost group in determining the reasonable amount for that day.

37. The reasonable amount for incidentals applies in full to each day of travel covered by the allowance, without the need to apportion for any part-day travel on the first and last day.

38. The reasonable amounts for overseas travel expenses per day according to salary levels and cost groups for the 2020–21 income year are shown in Tables 6 to 9 of this Determination as follows:

Table 6: Employee's annual salary – \$126,970 and below			
Cost Group	Meals	Incidentals	Total
1	\$60	\$25	\$85
2	\$95	\$30	\$125
3	\$130	\$35	\$165
4	\$170	\$35	\$205
5	\$200	\$40	\$240
6	\$240	\$45	\$285

Table 7: Employee's annual salary – \$126,971 to \$225,980			
Cost Group	Meals	Incidentals	Total
1	\$75	\$25	\$100
2	\$110	\$35	\$145
3	\$150	\$40	\$190
4	\$190	\$45	\$235
5	\$240	\$50	\$290
6	\$295	\$50	\$345

Table 8: Employee's annual salary – \$225,981 and above			
Cost Group	Meals	Incidentals	Total
1	\$95	\$30	\$125
2	\$140	\$40	\$180
3	\$185	\$45	\$230
4	\$235	\$50	\$285
5	\$295	\$60	\$355
6	\$340	\$60	\$400

Table 9: Table of countries

Country	Cost Group	Country	Cost Group	Country	Cost Group	Country	Cost Group
Albania	2	Ecuador	4	Laos	3	Rwanda	3
Algeria	3	Egypt	3	Latvia	4	Saint Lucia	5
Angola	4	El Salvador	3	Lebanon	5	Saint Vincent	4
Antigua and Barbuda	6	Eritrea	4	Lithuania	3	Samoa	4
Argentina	2	Estonia	4	Luxembourg	5	Saudi Arabia	4
Armenia	3	Ethiopia	3	Macau	5	Senegal	4
Austria	5	Fiji	3	Malawi	3	Serbia	3
Azerbaijan	3	Finland	6	Malaysia	3	Sierra Leone	3
Bahamas	6	France	5	Mali	3	Singapore	6
Bahrain	5	French Polynesia	6	Malta	4	Slovakia	4
Bangladesh	4	Gabon	6	Mauritius	4	Slovenia	3
Barbados	6	Gambia	2	Mexico	3	Solomon Islands	4
Belarus	2	Georgia	2	Monaco	6	South Africa	2
Belgium	5	Germany	5	Morocco	4	Spain	5
Bermuda	6	Ghana	4	Mozambique	3	Sri Lanka	3
Bolivia	3	Gibraltar	4	Myanmar	3	Sudan	2
Bosnia	2	Greece	4	Namibia	2	Surinam	3
Brazil	3	Guatemala	4	Nepal	3	Sweden	5
Brunei	3	Guyana	4	Netherlands	5	Switzerland	6
Bulgaria	3	Hong Kong	5	New Caledonia	5	Taiwan	5
Burkina Faso	3	Hungary	3	New Zealand	4	Tanzania	3
Cambodia	1	Iceland	6	Nicaragua	3	Thailand	4
Cameroon	4	India	3	Nigeria	4	Tonga	3
Canada	4	Indonesia	3	North Macedonia	2	Trinidad and Tobago	6
Chile	3	Iran	1	Norway	6	Tunisia	2
China	5	Iraq	5	Oman	6	Turkey	3
Colombia	3	Ireland	5	Pakistan	2	Uganda	3
Congo Democratic Republic	4	Israel	6	Panama	4	Ukraine	3
Cook Islands	4	Italy	5	Papua New Guinea	4	United Arab Emirates	6
Costa Rica	4	Jamaica	4	Paraguay	2	United Kingdom	5
Cote D'Ivoire	5	Japan	5	Peru	4	United States of America	5
Croatia	3	Jordan	6	Philippines	3	Uruguay	3
Cuba	3	Kazakhstan	2	Poland	3	Vanuatu	4
Cyprus	4	Kenya	4	Portugal	4	Vietnam	3
Czech Republic	3	Korea	6	Puerto Rico	5	Zambia	2
Denmark	6	Kosovo	2	Qatar	6		
Dominican Republic	4	Kuwait	5	Romania	3		
East Timor	4	Kyrgyzstan	2	Russia	4		

Example 4

39. Prashant travels to China on business for two weeks and is paid a travel allowance of \$500 per day (made up of \$250 for meals and incidentals and \$250 for accommodation). Prashant's annual salary is \$191,000. Prashant usually spends \$250 per day on meals and incidentals and \$300 per night on accommodation when travelling in China. Prashant calculates the daily reasonable amount for his overseas travel as follows:

- Table 7 of this Determination applies because Prashant's salary is between \$126,971 and \$225,980
- Table 9 of this Determination lists China as Cost Group 5, and
- Table 7 of this Determination provides reasonable amounts for meals and incidental expenses for Cost Group 5 as \$240 per day for meals and \$50 per day for incidentals (that is, a total of \$290 per day).

40. Because Prashant has spent less than the reasonable amount on meals and incidentals, he can claim a deduction for the \$250 per day that he spends and he is not required to substantiate the expenditure (for example, get and keep all of the receipts for the meals and incidentals). Because he has spent more than six nights away in a row, Prashant must keep travel records for the two weeks he is in China. Prashant can claim a deduction for the \$300 per day he spends on accommodation but he must fully substantiate this expenditure (by getting and keeping a receipt or other documentary evidence of the expenditure).

41. If Prashant's tax return is checked by the ATO he may be asked to explain his claim for deduction. To do this Prashant would show he travelled to China for work, that he received an allowance for the meals and incidentals for each day he travelled, that he correctly declared this allowance as income in his tax return, and that he typically spent \$250 a day on meals and incidental expenses (for example, by reference to diary entries, bank records and some receipts that he kept).

42. If Prashant's travel allowances were not shown on his payment summary and he fully spent the allowance, he can choose to leave them out of his tax return and not claim any deductions for the meals and incidentals he purchases when travelling and working in China.

Date of effect

43. This Determination applies to the 2020–21 income year only. However, this Determination will not apply to taxpayers to the extent that it conflicts with the terms of settlement of a dispute agreed to before the date of issue of this Determination (see paragraphs 75 to 76 of Taxation Ruling TR 2006/10 *Public Rulings*).

References

Previous draft:

Not previously issued as a draft

Related Rulings/Determinations:

TR 95/18; TR 2004/6; TR 2006/10

*Previous Rulings/Determinations:*TD 2015/14; TD 2016/13; TD 2017/19;
TD 2018/11; TD 2019/11*Legislative references:*

- ITAA 1997 Subdiv 900-B
 - TAA 1953
-

ATO references

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Income tax ~~ Deductions ~~ Work related expenses ~~ Travel expenses

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Procedure Document

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TRAVEL PROCEDURE

<i>Location:</i>	NSW and ACT
<i>Procedure Type:</i>	Human Resources Procedure
<i>Procedure Name:</i>	Travel Procedure
<i>Version:</i>	4
<i>Issue Date:</i>	September 2019
<i>National Regulatory Code:</i>	Section 7 – Human Resource Management

1. Policy Statement

- 1.1 This document provides the policies and procedures for employees of Argyle incurring business travel expenses on Argyle's behalf.

2. Scope

- 2.1 This procedure applies to all employees of Argyle Community Housing including volunteers and contractors.
- 2.2 Argyle promotes and respects the human rights and fundamental freedoms of all persons with a disability. Argyle supports and encourages a person-centred approach to service delivery. Argyle aspires to provide a service to tenants in line with the principles of the NSW Disability Inclusion Act 2014, Disability ACT and the United Nations Convention on the Rights of Persons with Disabilities (CRPD).

3. Objectives

- 3.1 To ensure that all employees have a clear and consistent understanding of policies and procedures for business travel and entertainment cost management.
- 3.2 To provide business travellers with a reasonable level of service and comfort at the lowest possible cost.

4. Travel Authorisation

- 4.1 All methods of travel are to be approved prior to the date of travel. Travel should be booked as far ahead as possible where practicable to take advantage of reduced cost air fares.



5. Travel Arrangements

- 5.1 All air, accommodation and car rental reservations including en-route changes, are the responsibility of the employee. Argyle may provide employees with preferred travel agents or service providers from time to time.

6. Air Travel

6.1 *Class of Service*

All employees are expected to travel in economy class for domestic travel. Employees travelling internationally for business may travel in either premium economy or business class depending on the length of the journey (in excess of 8 hours) and the employee's operational level.

6.2 *Lowest Available Fare*

6.2.1 All economy class airline tickets must be booked at the lowest, restricted available airfare on the outbound flight and the lowest, flexible airfare on the return.

6.2.2 Employees can assist in reducing travel costs by booking their travel arrangements once they are known and not leaving it until the day before departure.

6.2.3 To check-in for flights, please note that a form of current photo identification should be presented for the issuance of a boarding pass.

6.3 *Frequent Flyer Programs*

Travelling employees may accrue frequent flyer program benefits. However, participation in these programs must not result in any incremental cost to Argyle beyond the lowest available airfare. (e.g.: if you personally prefer to fly Qantas to accrue Qantas Frequent Flyer points, you should still take the lower costing airfare even if it is another airline e.g. Virgin).

6.4 *Risk Management*

The Chief Executive Officer and executive team should take into account the risk factors relating to multiple employees travelling together.

6.5 *Payment and Documentation*

6.5.1 Airline tickets will be charged to the employee's corporate credit card.

6.5.2 Employees without a corporate card who are travelling may have their Team Leader's corporate card charged.

6.6 *Spouse Travel*

6.6.1 Travel expenses for a spouse are not deemed to be a business expense unless it can be shown that the spouse's presence was both essential and directly related to the effective accomplishment of Argyle's business.

6.6.2 In these limited instances, the employee must obtain written approval in advance from the Board of Argyle.

6.6.3 Travel expenses for a spouse are to be included on the employee's expense report.

7. Accommodation

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7.1 *Cost Guidelines*

- 7.1.1 Accommodation should be chosen at a cost of approximately \$180 per night wherever possible.
- 7.1.2 Accommodation costs are determined by market demand and hotel room availability and discretion should be exercised at all times.

7.2 *Hotel Selection and Hotel Reservations*

Employees should use “last minute deals” websites or similar to make their own bookings.

7.3 *Cancellation*

- 7.5.1 Employees should take responsibility for complying with the conditions of the booking including cancellation timeframes.
- 7.5.2 If the cancellation is made directly with the hotel, employees are advised to request and retain a cancellation number as documentation of the transaction.
- 7.5.3 No-show charges are not reimbursable.

7.4 *Payment and Documentation*

- 7.4.1 Accommodation charges are to be billed to the employee’s corporate card and reported on expense claim forms.
- 7.4.2 The hotel bill and a corporate card record of charge are required documentation for reconciliation of accommodation expenses.
- 7.4.3 If the employee does not have a corporate card, they can either have their Team Leader pay for their expenses over the phone with the hotel, or pay using their own credit card which Argyle will reimburse using the usual expense reimbursement process.

8. **Meals & Entertainment**

8.1 *Definition*

- 8.1.1 Business meal expenses are those incurred by employees when dining alone on an out-of-town business trip.
- 8.1.2 Entertainment expenses include costs incurred with clients, prospects, suppliers or associates at restaurants, theatre and sporting events, when a business discussion takes place before, during or immediately after the event.

8.2 *Cost Guidelines*

As a guide, Argyle uses the Australia Tax Office’s most up to date rulings for reasonable amounts to cover food and accommodation. Argyle will pay an allowance for overnight meals in accordance with the applicable award.

8.3 *Employees Dining Together*



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In cases where more than one employee is present, the most senior person should pay the bill and submit an expense claim for all diners together on the same expense claim.

8.4 *Payment and Documentation*

8.4.1 All meals and entertainment expenses must be supported by a receipt attached to the expense report.

8.4.2 Corporate card receipts are the preferred form of documentation and employees should use their corporate cards to pay for meal expenses whenever possible.

9. **Car Rental**

9.1 *Rental*

9.1.1 Cars should be rented by employees only when other means of transportation are unavailable, more costly or impractical. The use of a rented car must be justified as a business need and not as a matter of personal convenience.

9.1.2 All rentals should be for intermediate-size cars or smaller, unless four or more people are travelling together.

9.1.3 Car rental requests must be included on the Travel Authorisation Form.

9.1.4 Car rental reservations should be made through Traveforce and should only be made directly with the car rental company when the need was not known prior to travel.

9.2 *Refuelling*

Employees are to refuel rental cars before returning them to the rental agency.

9.3 *Payment and Documentation*

Car rentals are to be charged to employee-held corporate cards and must be documented on expense reports with the original car rental contract.

10. **Other Transportation**

10.1 *Personal Car*

10.1.1 Employees may use personal cars for business travel when other transportation is not suitable or uneconomical.

10.1.2 Employees should exercise business judgement as to the most cost-effective form of transport. It is the personal responsibility of the owner of a vehicle being used for business to carry adequate insurance coverage for their protection and for the protection of any passengers.

10.1.3 A first aid kit should be carried in the vehicle.

10.1.2 The use of personal cars for business will be reimbursed at the standard rate obtainable from the Award. This mileage allowance covers all auto costs (i.e. fuel, repairs, insurance), other than parking and tolls.

10.2 *Parking*

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Regular parking costs will be reimbursed but not valet parking unless there are special circumstances, e.g.: equipment to carry.

10.3 *Taxis and Other Local Transportation*

10.3.1 The cost of taxis to and from places of business, hotels, airports or railroad stations in connection with business activities is to be charged to the corporate card or CabCharge account.

10.3.2 Use of taxis is authorised only when more economical services (e.g.: hotel vans, shuttles) are not available.

10.3.3 Employees are encouraged to use public transportation (reimbursable) whenever feasible.

10.3.4 The use of taxis and other local transportation must be documented on expense reports with original receipts.

10.4 *Interaction of Expenses, Travel Policy and Overtime/TOIL Policy*

10.4.1 Employees should determine with their Team Leader whether time and kilometres spent travelling should occur during normal office hours or after normal office hours, in order that workloads and overtime/TOIL arrangements may be effectively managed.

10.4.2 In any case, time spent travelling between home and the normal place of work is not considered work time, whereas time spent travelling from the normal place of work to another work location or venue for another work related purpose e.g. training is considered work time.

10.4.3 In the event that the employee does not attend the normal place of work before attending the alternate workplace (i.e. the employee travels directly from home to this other venue), or vice versa on the return leg of the journey, then the employee should work out what the kilometres and time worked would have been, excluding the amount that would ordinarily occur between the normal place of work and home, and claim that amount. For more information, please refer to the Payroll procedures.

11. **Other Reimbursable Expenses**

11.1 Alcohol from hotel mini bars and like expenses (e.g.: in-house video hire) are to be met by the employee.

11.2 Laundry/dry cleaning costs will be borne by the employee unless away for three (3) or more nights.

11.3 Miscellaneous costs like newspapers and magazines are to be met by the employee.

11.4 Receipts are required for all miscellaneous reimbursable expenses. Corporate card receipts are the preferred documentation.

12. **Work, Health & Safety**

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- 12.1 Employees who travel to remote areas should be conscious of the necessity to ensure their safety and wellbeing. In such instances of travel, consideration should be given to the availability of adequate communications such as mobile phone coverage and laptop dongle and their area of coverage. Should a laptop and dongle be required, they can be arranged, used during the duration of the trip and returned upon completion of travel.
- 12.2 Employees should ensure that their accommodation is of a sufficient standard to afford reasonable security and protection, including security of doors and windows.
- 12.3 *Driver Fatigue*
Employees who are required to drive long distances should ensure that adequate time is allowed for the journey, that sufficient breaks are taken at least every two hours and that mobile phones are not used whilst driving. For full details, see Argyle's Driver Fatigue Procedure and the Driver Fatigue Guideline factsheet.

13. Personal Travel

- 13.1 Any personal travel arrangements which are scheduled to occur immediately before, during or after an approved business trip must be paid for separately.

14. Travel Diary

- 14.1 If your business trip requires you to be away for five (5) or more nights, you are required to keep a Travel Diary.
- 14.2 This is a requirement under the Australian Taxation Office under Fringe Benefits Tax legislation.
- 14.3 It applies whether travel is within or outside Australia.
- 14.4 Your travel diary is to show:
- Nature of the work undertaken
 - Where the business activity took place
 - The dates when the business activity took place
 - The duration of the business activity, and
 - The date your diary entry was made

15. Accountability

- 15.1 All employees are expected to exercise prudent business judgement regarding expenses covered by this policy. The traveller is responsible for complying with this policy.
- 15.2 Team Leaders are responsible for accurately reviewing expense reports for compliance. Cases of significant abuse may result in disciplinary action.
- 15.3 The Chief Executive Officer is responsible for the development of this policy and for ensuring its distribution to all travellers, travel arrangers, expense approvers, and finance department employees.

16. Related Information

- Travel Request Form
- Corporate Card Policy
- Expense Claim Form
- Delegated Authority Schedule
- Work Health & Safety - Air Travel Policy

17. Employee Acknowledgement

I acknowledge that I have received Argyle’s Travel Procedure; that I will comply with the procedure; and I understand that there may be disciplinary consequences if I fail to comply with this procedure.

Employee Name: _____

Signature: _____

Date: _____

VERSION CONTROL

Version No	Date	Author	Position	CEO Approval
1.0	Sep 2014	Human Resources	Creation of Travel Procedure	Approved
2.0	Jul 2015	Human Resources	Update format of procedure	Approved
3.0	Oct 2016	Human Resources	Update of Clause 12.3	
4.0	Sep 2019	Human Resources	Update clauses: 6.2.2, 7.1.1, 8.2, 10.1.2	