# Revision History

<table>
<thead>
<tr>
<th>Date</th>
<th>Revision Notes / Comments</th>
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<tbody>
<tr>
<td>15-Oct-2019</td>
<td>Initial Version Created</td>
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</table>
Disclaimer

The SAP Concur Global Template consists of Expense configurations designed to support the most commonly known configuration and statutory requirements for supporting T&E best practices. The system includes support for specific statutory requirements based on our understanding of “common interpretation” gathered from our experience of in-country legislation through the deployment of SAP Concur into this market. The Country Template represented in this guide is intended to provide customers with a starting point to aid in the deployment of their T&E solution and should in no way be construed as tax or compliance advice for your business. The template configuration may need to be adjusted to match the requirements of your business, and any legal or statutory requirements should be confirmed with your company’s tax accounting and/or compliance departments before being authorized for configuration into your SAP Concur Expense system.

Updates

Rates and/or regulatory requirements provided as part of the Templates are not guaranteed to be up to date, so any information provided should always be verified by the customer against the current government regulations. Updates are applied through on-going partnership with in-country SAP Concur product marketing teams, liaison with implementing customers, and through collaboration across the various SAP Concur implementation teams deploying in these countries.

The timing of updates can vary by country and feature. For example, certain countries provide regular annual updates to statutory travel allowance and mileage rates, while the rates in other countries are less frequently updated. VAT rate updates are typically less frequent or predictable and can occur at any time and are quite often dependent on broader economic situations. Tax authorities do however typically provide advanced warning where VAT rate or rule changes come into effect to allow businesses time to prepare.

Every effort is made to ensure that where updates are known to SAP Concur that these are applied to the latest version of the template in a timely fashion. Where updates have been applied, these will be reflected in any available template documentation.
Table of Contents

Best Practice VAT Configuration Options ........................................... 5
VAT Considerations .............................................................................. 5
Expense Types with Special VAT Handling ........................................... 6
Expense Types without Special Handling ............................................. 7
Exclusions ......................................................................................... 8
Expense Types Not Activated ............................................................. 8
Fringe Benefit Tax ............................................................................. 9
Travel Allowance .................................................................................. 10
Common Practice ............................................................................... 10
Mileage Rates ....................................................................................... 11
Personal Car Mileage .......................................................................... 11
Company Car Mileage ......................................................................... 11
Other Known Common Requirements .................................................. 12
Travel Diary ......................................................................................... 12
Best Practice VAT Configuration Options

VAT Considerations

The SAP Concur Global Template provides pre-configured VAT to support the statutory VAT requirements in Australia. This will assist with ensuring that users enter the correct information before auditing to ensure compliance with the tax regulations for reclaiming VAT.

SAP Concur provides recommended best practices for configuring the environment for Australia based on the following model:

- Best Practice configuration options - specific data entry fields and audit rules (where applicable) to control compliance before the expense claim is audited or processed
- 3 Receipt Types (Tax Receipt, Receipt and No Receipt)
- 2 VAT Rates:
  - Standard – 10%
    NOTE - For Standard GST where the amount is less than $82.50 the full amount of VAT is reclaimed where the user selects Receipt or No Receipt. For transactions greater than $82.50 the full amount of VAT is only reclaimed where the user selects Tax Receipt.
  - Exempt/Zero - 0%
Expense Types with Special VAT Handling

Special VAT conditions and data entry requirements for which it is suggested we include special pre-configured tax handling in the template system.

Airfare

VAT is only applicable on Airfare expenses where the destination is domestic, and the ticket is purchased within Australia. Even if the City of Purchase selected by the user is within Australia, if the trip is overseas (International) then no VAT is applied. To assist in providing the necessary information to calculate VAT on Airfare the user will be required to select from the following options in a drop-down field:

- Domestic Trip (10%)
- International (No VAT)

Based on the selection of the value the system will calculate the VAT. Based on the selection of the Receipt Status the system will calculate whether the VAT is reclaimable.

NOTE - where the amount is less than $82.50 the full amount of VAT is reclaimed where the user selects Receipt or No Receipt. For transactions greater than $82.50 the full amount of VAT is only reclaimed where the user selects Tax Receipt.

Gifts Greater or Less Than $300

In most cases FBT is payable for Gifts greater than AUD 300 per person. To allow for this SAP Concur has 2 expense types for gifts.

a. Gifts <= $AUD300
b. Gifts > $AUD300

SAP Concur can activate preconfigured audit rules to ensure that users select the correct expense type based on the amount per person.
Expense Types without Special Handling

**Standard 10%**
- Agency Booking Fees
- Business Meals (Attendees)
- Car Maintenance/Repairs
- Car Rental
- Courier/Shipping/Freight
- Entertainment - Clients
- Entertainment - Staff
- Fuel
- Hotel
- Incidentals
- Individual Meals
- Internet/Online Fees
- Laundry
- Marketing/Promotional Costs
- Miscellaneous
- Mobile/Cellular Phone
- Newspapers/Magazines/Books
- Office Equipment/Hardware
- Office Supplies/Software
- Parking
- Postage
- Printing/Photocopying/Stationery
- Professional Subscriptions/Dues
- Public Transport
- Seminar/Course fees
- Staff Awards/Incentives
- Staff Recreation (no food/drinks)
- Taxi
- Tolls/Road Charges
- Train
- Tuition/Training Reimbursement

**Zero/Exempt 0%**
- Airline Fees
- Bank fees
- Currency Exchange Fees
- Passport/Visa Fees
- Personal Car Mileage
- Tips/Gratuities
- Non-Reimbursable/Personal
**Exclusions**

None

**Expense Types Not Activated**

The following are a list of standard Expense Types not activated for Australia:

- Alcoholic Beverages
- Breakfast
- Company Car Mileage
- Dinner
- Ex Pat Expenses
- Lunch
- Medical Fees
- Relocation Expenses
- Telephone/Fax

Customers who wish to activate these expense types must request this via their SAP Concur Implementation Team.
Fringe Benefit Tax

Australia require that companies pay a fringe benefits tax (FBT) on certain kinds of expenses that employees claim. For example, when an employee takes a business guest to lunch and expenses the meal, the meal becomes a fringe benefit to the employee and may be taxed.

The FBT feature in Expense extracts the taxable portion of the expense from expense reports to the company’s accounting system. The feature does not calculate the tax: rather it provides the necessary information to the accounting system so that the tax can be appropriately tracked and processed with all other FBT-taxable expenses.

FBT is calculated after the processor approves the report. At that time, the FBT configuration is applied to the report to split applicable expenses into the different amounts by attendee type as required.

SAP Concur supports 2 methods for calculating FBT:

- Actual Method
- 50/50 Method

If a customer wishes to use the Actual method for calculating FBT, they are required to complete the FBT Configuration template. In this template the customer is required to identify:

- The expense types that attract FBT
- The attendee types that are required for each expense type
- For each attendee type, if GST is reclaimable or not
- For each attendee type, if an alternative account code is required
- For each attendee type, if an alternative reclaim code is required
Travel Allowance

Common Practice

In Australia, it is common best practice for employees to reclaim actual expenses.

SAP Concur does support Travel Allowance as standard for Australia however this is not pre-configured as part of our Global Template. For more information please refer to the Travel Allowance Configuration Guide – Australia.

NOTE: If customers wish to deploy a Travel Allowance, this will require a scoping exercise working with your SAP Concur Implementation Team.
Mileage Rates

Personal Car Mileage

Personal Car Mileage in Australia is pre-configured with the following rates:

<table>
<thead>
<tr>
<th>Vehicle Type</th>
<th>First 5,000 Business Miles</th>
<th>Each Mile Over 5,000</th>
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<tbody>
<tr>
<td>Car</td>
<td>$0.68</td>
<td>$0.00</td>
</tr>
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Last Updated: July 1st, 2018

NOTE: ATO decided to hold the rate at $0.68 per km for the 2019-2020 tax year

Company Car Mileage

No statutory Company Car Mileage rates are configured as part of the Global Template for Australia.
Other Known Common Requirements

Travel Diary

If you travel away from home for six or more nights in a row, you need to keep a travel diary, except in the following circumstances:

1. you receive a travel allowance for your travel, you are travelling in Australia, and the amount you are claiming is up to the reasonable travel allowance expense amount, or
2. you are a crew member on an international flight, you receive a travel allowance for your travel, your travel is principally overseas, and your claim is not more than the amount of allowance you receive.

You don’t need to keep a travel diary if you travel away from home for less than six nights in a row.