

Entertainment and travel expenses

Checklist

Examples of the most common types

Staff	50%	Fully	FBT payable
Morning and afternoon teas for staff only on business premises (unless entertaining others)		●	
Morning and afternoon teas for some staff and others (such as customers or suppliers)	●		
Any event or function on or of your premises to build staff morale and goodwill	●		
Friday night 'shout' for staff, on or off your premises	●		
Christmas 'shout' for staff	●		
Taxis for staff to attend Christmas 'shout'		●	●
Tax free meal allowance paid to an employee for working overtime		●	

Travel expenses	50%	Fully	FBT payable
Airfare, bus, taxi, rental car costs (for the business portion of the trip if you mix travel and holiday)		●	
Accommodation		●	
Your own meals while travelling on business		●	
Your meals at promotions open to the public		●	
Entertaining an existing or prospective customer or supplier while on travel	●		
Your food and drink at business related conferences lasting more than four hours (not including main meal breaks)		●	

Customers and business contacts	50%	Fully	FBT payable
Business meals in New Zealand	●		
Entertainment you provide at a function open to the public (such as a trade fair) to advertise your business		●	
Entertainment consumed or enjoyed while overseas on business		●	

Subscriptions and sponsorship	50%	Fully	FBT payable
Subscriptions to sporting clubs (eg Golf club)		●	●
Sponsoring entertainment to the general public to promote or advertise your business *		●	
Entertainment specifically focused on employees and business contacts	●		

* Note: You must deduct 50% of the value of any benefits received from a sponsorship

Expenses that more commonly affect larger businesses	50%	Fully	FBT payable
Light meal for staff during a business meeting in an area reserved for senior staff	●		
Executive dining room meals for clients	●		
Corporate boxes, marquees, tents or exclusive area entertainments	●		
Holiday home or time share accommodation	●		
Pleasure craft, such as a corporate yacht	●		

