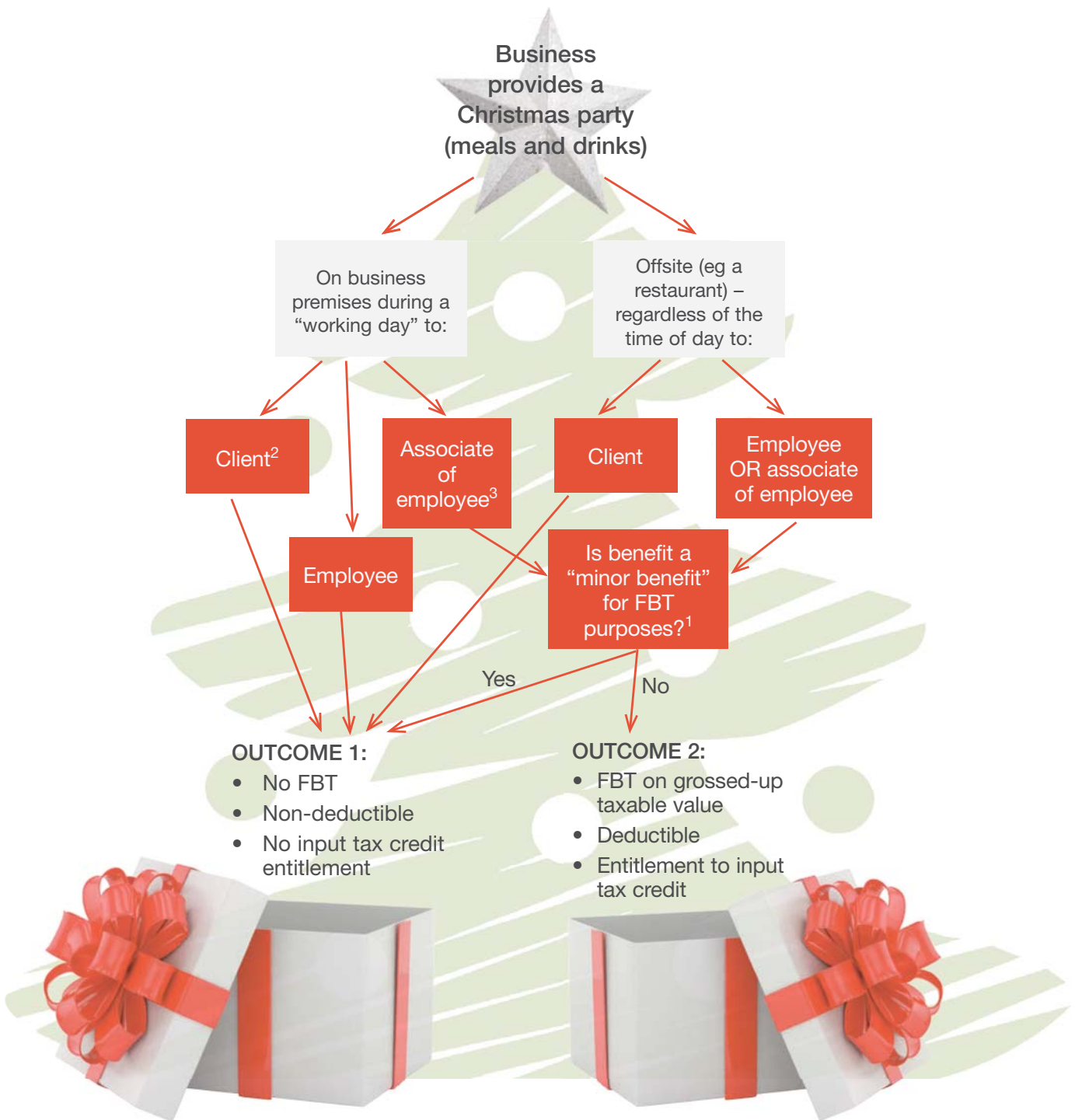


Christmas party decision tree

This flowchart will help businesses work out the general tax implications of the year-end Christmas party.



1: Minor benefit exemption must be less than \$300 per benefit, provided on an irregular and infrequent basis, and satisfy other relevant conditions.

2: Income tax treatment for entertainment expenses determined under tax law.

3. An associate of an employee is widely defined. It normally includes family members.

NOTE. This flowchart does not apply if you use the 50/50 split or 12 week register in calculating FBT for meal entertainment.