

Centrelink and ATO Information

Due to recent ATO and Centrelink changes, Ministry and Mission is no longer able to offer individual advice regarding reportable income or benefit applications. However, to assist our personnel who have questions about these topics, we have sought information from a professional tax consultant, supplied in the document below.

Though the document refers to “Ministers”, it also applies to all who are considered religious workers in the PCNSW and who receive fringe benefits within their remuneration package, e.g. Pastoral Assistants, Deaconesses, and Home Missionaries / Commissioned Gospel Workers.

Please note that this document is for information purposes only, and does not constitute formal financial advice. We suggest that if this document does not answer your questions, or if you require further information, that you speak with a financial planner, tax consultant, or other suitable financial professional.

Thank you,

*Ministry and Mission
29 March 2023*

The following information is relevant for Presbyterian Church Ministers who are in a recognised placement with a Congregation or other Presbyterian Church body in NSW (with an ACNC registered charitable purpose of advancing religion) for the purpose of undertaking pastoral or other directly related religious activities.

If you are a Presbyterian Church Minister currently engaged in an employment type arrangement, this information may not be appropriate and it is advised you seek additional clarification for your personal circumstances.

This information does not take into account any other personal circumstances or income sources you may have.

ATO Reportable Fringe Benefits Amount (RFBA)

As a Presbyterian Church Minister (who is in a recognised placement with a Congregation or other Presbyterian Church body in NSW with an ACNC registered charitable purpose of advancing religion), fringe benefits provided to you as a result of fulfilling your pastoral and other directly related religious activities are exempt fringe benefits. This exemption is in accordance with Section 57 of the Fringe Benefits Tax Assessment Act 1985.

These fringe benefits are also NOT reportable fringe benefits. Accordingly you will NOT receive an RFBA on your annual payment summary.

Centrelink Exempt Reportable Fringe Benefits amount

If you are required to disclose your income details to Centrelink, there is a Centrelink question requesting you to disclose your “Exempt fringe benefits amount”.

The Centrelink definition for these exempt fringe benefits is as follows:

Exempt reportable fringe benefits

*Exempt reportable fringe benefits are any **reportable fringe benefits** received from a not for profit organisation which is eligible for a fringe benefits tax exemption under **section 57A** of the Fringe Benefits Tax Assessment Act 1986. [emphasis added]*

It is noted the above definition of Exempt reportable fringe benefits applies to exempt benefits provided to employees of registered public benevolent institutions (and other organisations such as public hospitals).

The exempt fringe benefits you receive as a result of being a Presbyterian Church Minister (as described above) are NOT “Exempt reportable fringe benefits” and accordingly (unless you are receiving income and benefits from additional sources) you can leave this question blank (or with a nil value).

Family Tax Benefits

The income test for Family Tax Benefits is based on your “adjusted taxable income”. Your income for Family Tax Benefit purposes does NOT include the value of the exempt fringe benefits provided to you as a Presbyterian Church Minister (as described above).

Parenting Payment, Low Income Health Care Card and Youth Allowance parental means testing

The income tests for these income support payments are based on your “gross income”. This mean you DO have to include the value of the exempt fringe benefits you receive as a Presbyterian Church Minister for these income support payments.