

Expense: Travel Allowance Configuration Guide – Australia

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Revision History

Date	Revision Notes/Comments
January 21, 2022	Updated the copyright year; no other changes; cover date not updated
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February 19 2016	Added new option to support tracking of recurring visits to the same location in order to determine employee taxability
June 13 2014	General updates in ConfigImporter (trx_type 500)
December 28 2012	Made rebranding and/or copyright changes; no content changes
August 12 2011	Added information about: <ul style="list-style-type: none"> • Addition of the External URL and External URL's Text fields to the TA Configuration page
December 14 2009	Changed the name of the <i>Travel Allowance</i> chapter to the <i>Expense: Travel Allowance Setup Guide</i>
October 16 2009	Single row itinerary check can now be used in the current user interface
August 28 for the September 18 2009 release	Added information about the new Display Quick Itinerary Wizard option on the Edit Travel Allowance Configuration page in Expense Configuration Administrator
December 24 2008	The options on the Edit Travel Allowance Configuration page in Expense Configuration Administrator were rearranged into a more logical order. The options in <i>Configuration Options</i> in this guide were rearranged to match. Functionality has not changed.
Aug 1 2008	Initial publication for Concur Travel & Expense

Table of Contents

Chapter 1: General Information	1
Fixed Allowances	1
Reimbursable Allowances.....	1
Additional Definitions and Descriptions	2
Chapter 2: Requirements	3
General	3
Allowance Location	3
Rates	3
Travel Record.....	4
Lodging Allowance	4
Meals Allowance	4
Multiple Trips on the Same Date	4
Provided Meals	5
Partial Days	5
Part-day Allowance (No Overnight Stay).....	5
First and Last Day Partial Days.....	5
Chapter 3: System Calculation Logic	6
Meals	6
Lodging	6
Chapter 4: System Calculation Properties	7
Chapter 5: Configuration Options	8

Chapter 1: General Information

NOTE: Multiple SAP Concur product versions and UI themes are available, so this content might contain images or procedures that do not precisely match your implementation. For example, when SAP Fiori UI themes are implemented, home page navigation is consolidated under the SAP Concur Home menu.

A company may reimburse its employees' travel expenses according to a schedule of set reimbursement rates, commonly known as "per diem" or "travel allowance" rates. The rates are determined by governmental and company policies and may differ depending on location and length of travel as well as partial days of travel, seasonal travel, and so on. Travel allowances apply to meals (which usually includes incidentals) and lodging expenses. Travel allowances do not apply to expenses such as car rentals, airline tickets, seminars, and so on.

There are two types of travel allowances: fixed and reimbursable.

Fixed Allowances

With a **fixed** type of travel allowance, the employee is reimbursed the fixed rate regardless of the actual amount of expenses. For example, assume that the fixed rate for meals (including incidentals) is 55.00 EUR per day.

- If the employee spends less than 55.00 EUR per day, the employee keeps the difference.
- If the employee spends more than 55.00 EUR per day, the employee is responsible for paying the difference.

Since the employee is paid the amount regardless of the actual expense, the employee does not enter actual expenses into Concur Expense or collect receipts. The system creates the fixed-amount expenses based on location and duration information that the employee provides by preparing an itinerary.

Reimbursable Allowances

With a **reimbursable** type of travel allowance, there is a schedule of reimbursement rates but the employee may or may not be paid the reimbursement rate.

The employee enters the actual expense into Concur Expense and the system compares the actual expense amount to the rate (limit). Then:

- If the actual expense is *less than or equal to* the limit amount, the company reimburses the employee for the actual expense amount.
- If the actual expense is *greater than* the limit amount, the company may reimburse the employee for the actual expense amount or perhaps only up to the limit amount.
 - ◆ If policy dictates that the employee is reimbursed the amount of the actual expense, then the company pays the employee the full amount of the expense but also keeps track of the amount that is over the limit. In some cases, the

amount paid to the employee that is over the limit becomes taxable to the employee. In other cases, the amount that is over the limit may not be billable to the client and may be charged as company overhead.

- ◆ If company policy dictates that the employee is reimbursed only up to the limit, then the employee is responsible for any amount above the limit.

Additional Definitions and Descriptions

For additional information about travel allowances and the options for configuring the travel allowance pages in Expense, refer to the *Expense: Travel Allowance Setup Guide*.

For additional information about the Travel Allowance Import, refer to the *Travel Allowance Import* chapter in the client-facing Concur Expense - Import and Extract File Specifications.

Chapter 2: Requirements

General

In Australia, travel allowances apply to government employees and employees of government contractors that are working on specific government contracts. They may be used by other companies but there is no requirement to do so. Companies may choose to reimburse actual expenses with substantiating receipts or use fixed travel allowances without substantiating receipts as long as the fixed allowance does not exceed 'reasonable amount' limits set by the government.

Allowance Location

The following are rules for determining the travel allowance location.

- The rate paid for the traveler's first day of travel (day of departure) is based on the traveler's location at *midnight*. This is generally, but not always, the destination location.

NOTE: The system defines *midnight* as 11:59 P.M.

- The day of return travel uses the travel allowance rate of the last location visited (where the traveler spent the previous night).

Rates

The allowance rates are published by the Australian Tax Office.

The rates are published based on the salary level of the applicable employee. There are three salary ranges published for ordinary employees and additional rates published for special office-holders within the government agencies.

The information on which *rate set* to use should be placed in a custom field on the employee profile. This field should be used in the hierarchy definition for travel allowances, and travel allowance configurations should be created for each set of rates. The configuration for each set of rates is then mapped to the data in the hierarchy fields and the system will determine the correct rate set to use based on this configuration.

Travel Record

An employee who is reimbursed by travel allowance must keep a record of activities undertaken during the travel. The purpose of this travel record is to show which business activities were undertaken in the course of the trip, in order to assess the deductibility of the allowance.

This requirement is handled outside the Concur Expense system. A written record can be attached to the expense claim as an imaged attachment to the report via the Concur Imaging Service.



For more information about imaging, refer to the *Expense: Receipt Handling - Receipt Imaging Setup Guide*.

Lodging Allowance

Lodging allowances are based on whether or not the traveler spent the night in a hotel or like type accommodation. The lodging allowance is defined for each location and the traveler is either eligible for the listed allowance or no allowance for lodging.

Meals Allowance

The basis for the travel allowance calculations is **meals**. The assumption is that the traveler receives an allowance for three meals a day plus a nominal amount for incidentals.

The period of travel is to be taken into account to determine whether or not the traveler is eligible for specific meals on the first and last day of the trip.



Refer to the *Partial Days* section for first and last partial days of trip.

Multiple Trips on the Same Date

The Australian government does not define how the allowance should be calculated when two or more trips occur on the same date. The recommended choice is to use cumulative rules.

With the recommended *cumulative* setting:

- A single allowance will be given for the trip with the longest duration for that date.
- If there are two single-day trips on the same date, one of the trips must exceed 10 hours or neither will receive an allowance.



For more information, refer to *Part-day Allowance (No Overnight Stay)* in this guide.

With the *separate* setting, each trip will be evaluated independently and will likely result in each receiving a full allowance for the date.

Provided Meals

All meals travel allowance rates are set for each location then adjusted for provided meals. The government publishes this meals breakdown domestically by salary range and total rate amount.

For international locations, the meals amounts are calculated based on percentages. The percentages are not published but generally used percentages are 25% for breakfast, 30% for lunch, and 45% for dinner.

The system would use the specific amount for each meal as loaded into the rate tables. The percentages for international rates must be applied and the actual amounts derived prior to loading the rates.

Partial Days

The Australian rules define how to calculate the meals allowance for a partial day trip.

Part-day Allowance (No Overnight Stay)

The rules allow government employees to receive a **part-day** allowance for trips that do not require the employee to sleep away from home but do exceed 10 hours in duration. Note that this government-employee rule is not always used by private companies, who may elect to **not** reimburse for trips that do not involve an overnight stay. Use of this rule is controlled by a system calculation property and may be turned on or off.

First and Last Day Partial Days

The traveler is expected to exclude meals from the meals allowance based on the time of day of departure for the first day of the trip, and the time of day of arrival back to the home location for the last day of the trip. The rules for this are general reasonableness based on the times of day and the traveler's normal work schedule. Based on this, it is up to the traveler to indicate which meals should **not** be included in the day's allowance, using the provided meals functionality.

Chapter 3: System Calculation Logic

Meals

The calculation is based on the following information: date, rate location, travel allowance type, overnight indicator, and provided meals or benefits in kind meals indicators. A meals allowance is calculated for each calendar date of the trip.

NOTE: Values in this calculation that are based on values set in a system calculation property are followed by the property name in brackets: [Example]

The system looks up the base rate for the date and rate location. This becomes the calculated rate and the base rate. The calculated rate is now adjusted according to the following steps.

1. **Trip less than 24 hours in duration:**
 - ♦ **Configured to use part-day allowance** [pay_single_day_trip_allowance = Y]: If the total trip took less than 10 hours [trip_duration_min_hours], the system sets the calculated rate to zero. If the total trip exceeded 10 hours but is less than 24 hours, the system uses the part-day allowance amount.
 - ♦ **Configured to NOT use part-day allowance** [pay_single_day_trip_allowance = N]: If the total trip (start date and end date) occurs on a single calendar date, the system sets the calculated rate to zero. If the total trip spans more than one calendar date, the system calculates the allowance as normal.
2. **Provided Meals:** The system subtracts the indicated meal amount from the calculated rate for each meal that was provided.

Lodging

The calculation is based on the following information: date, rate location, travel allowance type, and overnight indicator. The trip is eligible for lodging for each day of the trip except the last day, when the employee is presumed to return home.

1. The system looks up the applicable lodging rate for the rate location in the rate tables.
2. If the user selects the check box in the **Overnight** column and:
 - ♦ If lodging is a *fixed* allowance or *reimbursable* allowance, the system sets the lodging amount to the overnight amount.
 - ♦ If lodging is **none** (not using travel allowance) and meals is a *fixed* allowance, the system adds the overnight amount to the meals amount and sets the reimbursable lodging limit to zero.

NOTE: The Overnight option is a general travel allowance option not specific to Australia and not typically used in that country.

Chapter 4: System Calculation Properties

Country-specific calculation properties are stored in the CT_TA_CALC_METHOD_PROPERTY table. **These properties are initialization data; therefore, these values are not imported via the Travel Allowance Importer.** These properties are used for all Australian travel allowance calculations. They cannot be set differently for different travel allowance configurations sharing the Australian calculation method.

The following properties are used for Australian rules:

Name	Value	Description
pay_single_day_trip_allowance	N	Pay the authorized single day trip allowance (Y/N)
trip_duration_min_hours	10	Minimum hours in a single day trip for the trip to qualify for a partial travel allowance (integer between 0 and 23), only if pay_single_day_trip_allowance is set to Y

Chapter 5: Configuration Options

These country-specific configuration options are presented in the same order and with the same record type (*trx_type*) numbers as in the client-facing *Travel Allowance Import* chapter of the client-facing Concur Expense - Import and Extract File Specifications.

Australian travel allowance rates are specified for salary ranges and certain classifications of government employees. Each salary range and classification must use a separate import rate feed.

SettingsImporter (trx_type 100)

The *calc_method_code* = AUSTRALIAN.

The *rate_feed_time_bands* field must be left blank for Australian rules.

Travel Allowance <i>REQUIRED</i> Rates	
The settings below for the 100 record represent the <i>typical</i> settings for Australia and must be reviewed to ensure they are correct for a given client's needs.	
<i>lodging_rate_required</i>	Y
<i>overnight_rate_required</i>	N
<i>meals_rate_required</i>	Y
<i>incidentals_rate_required</i>	Y
<i>breakfast_deduction_required</i>	Y
<i>lunch_deduction_required</i>	Y
<i>dinner_deduction_required</i>	Y
<i>breakfast_bik_deduction_required</i>	N
<i>lunch_bik_deduction_required</i>	N
<i>dinner_bik_deduction_required</i>	N
<i>custom_rate_required</i>	Y if providing an allowance for a single day trip with no overnight stay N if not providing an allowance for a single day trip with no overnight stay (See additional information for TRX_TYPE 300)

TimeBandRateImporter (trx_type 200)

Not used for Australian rules.

RateImporter (trx_type 300)

For this country, the *pay_single_day_trip_allowance* property (refer to *System Calculation Properties*) is used to configure the use of Partial Days Travel (see *Part-day Allowance (No Overnight Stay)* section in this document). Since it is possible that this feature might be used, the Travel Allowance Rate import must include a value in the CT_TA_RATE.CUSTOM_RATE field. The CUSTOM_RATE should be set to the "food and drink" value specified in the government rate tables.

ExpiredRateImporter (trx_type 310)

There are no special requirements for this country.

RateLocationMapImporter (trx_type 400)

There are no special requirements for this country.

ConfigImporter (trx_type 500)

After the initial import, the configuration can be modified via import or using **Administration > Expense Admin > Travel Allowance** (left menu), on the **Configurations** tab.

The table below describes the options specific to this country. Note the following:

- The field descriptions are not shown here. Refer to the *Expense: Travel Allowance Setup Guide*.
- The **Field** column below shows the field name as it appears and in the same order as on the **Modify Travel Allowance Configuration** page in **Administration > Expense Admin > Travel Allowance** (left menu), on the **Configurations** tab as well as in the *Expense: Travel Allowance Setup Guide*.

Field	Country Specific Notes
General Options	
Configuration Name	Client preference
Configuration Code	Client preference
Calculation Method Code	As described in the <i>SettingsImporter (trx_type 100)</i> section of this guide
Rate Feed Code	Set based on client preferences
Government and Company Rates Types	Typical setting is <i>Government</i>
External URL	Optional link to open a new browser window displaying this site
External URL's text	Text label to display for the optional URL link
Meals Type Lodging Type	Set based on client preferences
Display Wizard	Set based on client preferences

Field	Country Specific Notes
Wizard Prompt Text	Optional text for the display wizard prompt to the user, when Display Wizard is set to Prompt. This will be used in place of the standard Concur text.
Same Day	The Australian government does not specify this requirement; typical US setting is <i>Cumulative</i>
Exchange Rate Day	Default is <i>Expense Day</i> ; change if requested by the client
Over Limit Distribution Method	Default is <i>Prorate over all expenses</i> ; change if requested by the client
Single Row Itinerary Check	Activates a system audit rule that prevents the submission of an itinerary with only one row
Use Overnight	Typical setting is No (check box cleared) This option is not defined by the Australian government rules. Overnight allowance functionality can be used with the Australian module if the appropriate amount is provided in the rate records.
Use System Exception	Set based on client preferences
User Entry of Extended Trip	Typical setting is No (check box cleared) This option is not defined by the Australian government rules. This user-entered extended trip functionality can be used with the Australian module if the appropriate records are added to the system calculation properties for the country.
Display Quick Itinerary Wizard	Set based on client preferences
Rate Options	
Combine Meals and Lodging Rates	Typical setting is No (check box cleared)
Display Base Meals Rate	Set based on client preferences
Display Base Meals Rate In Rate Currency	(Feature not yet available)
Display Company and Government Limit Comparison	Set based on client preferences
User Entry of Rate Location	Typical setting is No (check box cleared)
Meals Options	
Meals Deduction List	Typical setting is Not Used
Deduct for Provided Meals - Breakfast Deduct for Provided Meals - Lunch Deduct for Provided Meals - Dinner	Typical setting is Yes (check box selected) for all three
Default Breakfast to Provided	Typical setting is Yes (check box selected)

Field	Country Specific Notes
Default Lunch to Provided	Set based on client preferences
Default Dinner to Provided	Set based on client preferences
Itemize Fixed Meals	Typical setting is No (check box cleared)
Country-specific Options	
Use Border Cross Time	Must be set to No (check box cleared); not supported for Australian rules
Use Lodging Type	Must be set to No (check box cleared); not supported for Australian rules
Use Percent Rule	Must be set to No (check box cleared); not supported for Australian rules
Use Short Distance	Must be set to No (check box cleared); not supported for Australian rules
Use Address List	Set based on client preferences To pay an allowance even when that allowance is consider a taxable benefit, set to Yes (check box selected); otherwise, to pay no allowance when that allowance would be deemed taxable, do not select (check box cleared) this option.
Use Trip Length List	Must be set to No (check box cleared); not supported for Australian rules
User Entry of Breakfast Amount	Must be set to No (check box cleared); not supported for Australian rules
User Entry of Meals Amount	Must be set to No (check box cleared); not supported for Australian rules
User Entry of Within Municipality	Must be set to No (check box cleared); not supported for Australian rules
Create itinerary rows based on air	Set based on client preferences

ConfigMapImporter (trx_type 600)

There are no special requirements for this country.

DeductPercentImporter (trx_type 700)

For Australian rules, deduction percentages are used for international rate locations.

Refer to the *Provided Meals* section for generally used international percentages. However, percentages provided in this document should always be verified against current Australian regulations.

DeductAmountImporter (trx_type 800)

For Australian rules, deduction amounts for domestic rate locations are specified in the government rate tables. These can either be loaded into 800 records or specified in each domestic 300 record.

