

Fact sheet: Entertainment expenses table

	Entertainment Expenses Table	50% deductible	100% deductible
1.	Friday night drinks for team members or clients in the office	✓	
2.	Friday night drinks for team members or clients in the pub.	✓	
3.	Hire of a launch to entertain clients.	✓	
4.	Restaurants providing food and drinks to team members at a social function in their restaurant.	✓	
5.	Sponsoring local sports teams and receiving tickets to their corporate box in return. 50% of the value of the tickets would be deducted from the total sponsorship.	✓	
6.	Sponsoring a sports team by providing a meal for the team at their grounds after each game.	✓	
7.	Staff Christmas party on or off the business premises.	✓	
8.	Taking a client out to dinner while you are out of town on business in New Zealand.	✓	
9.	Taking a client out to dinner.	✓	
10.	A weekend away for the team at holiday accommodation in New Zealand. Includes any food and drink provided.	✓	
11.	Dinner for Sales Rep while out of town selling and no client present.		✓
12.	Donating food to a Christmas party in a children's hospital.		✓
13.	Providing entertainment, including food and drink at your promotional stand for the local Christmas Festival open to the public.		✓
14.	Employee's salary package includes a taxable allowance for entertaining clients.		✓
15.	Golf club subscription for business owner paid by the Company. *		✓
16.	Gym membership for team member paid by employer. *		✓
17.	Providing a meal for a journalist while reviewing your business for their column.		✓
18.	Providing morning and afternoon tea for your team.		✓
19.	Sandwiches provided at a lunchtime meeting of supervisors.		✓
20.	Sponsoring a local sports team.		✓
21.	Taking a client out to dinner while you are out of town on business outside New Zealand.		✓
22.	Holding the team Christmas party in Fiji.		✓

* Note that expenses incurred in providing golf club subscriptions and gym memberships to employees are 100% deductible and not subject to the Entertainment Expense 50% limitation. However these expenses will be subject to Fringe Benefit Tax, therefore there will still effectively be a tax cost in providing this benefit.

Last reviewed: 20 February 2018