

NOT FOR PROFIT

Salary Packaging



 **1300 30 39 40**

 **remserv.com.au**

Read this guide or visit our website to learn
how you could benefit as a not-for-profit worker

Welcome to RemServ

Your employer has chosen RemServ as your workplace benefits provider to bring you the best salary packaging experience.

As one of Queensland's largest salary packaging providers, we've specialised in providing workplace benefits for over 20 years, delivering tax savings that help our customers do more with their money.

Introducing salary packaging the RemServ way

What is salary packaging?

Approved by the Australian Tax Office, salary packaging is an employee benefit that allows you to pay for certain everyday expenses with money from your salary before tax is taken out.

There are a great many benefits available to workers in the not-for-profit industry, and you could be eligible to pay for a range of expenses with your pre-tax salary, including vehicle running costs, your mortgage or rent, utility bills and some work-related expenses including self-education.

How does it work?

In most cases, before you get paid, your employer takes out income tax and deposits what is left over into your bank account. You then pay for all your living expenses using this money.

With salary packaging, your employer pays you the same salary but instead of paying all your expenses after you've been taxed, you pay for selected expenses before the tax is taken out. This could lower your taxable income and help you pay less tax.

The salary packaging difference

Without salary packaging



With salary packaging



Take advantage of all the benefits

When it comes to what you can salary package in the not-for-profit industry, there are capped and uncapped benefits.

Capped benefits

With capped benefits there's a limit to how much you can salary package each Fringe Benefits Tax year (1 April – 31 March).



Everyday living expenses – up to \$15,900 per FBT year

Those everyday living expenses sure add up, but with salary packaging you could pay for them before you get taxed.

- Mortgage and rent
- Gas and electricity expenses
- Groceries and clothes
- Personal loan repayments
- Private health insurance premiums
- School fees.

Meal Entertainment – up to \$2,650 per FBT year

The Meal Entertainment benefit lets you salary package the cost of meals when you eat out with friends, family and associates at restaurants, cafes, pubs, clubs and bistros that accept Mastercard. This \$2,650 cap is over and above the everyday living expenses cap and could be a great way to get more from your salary¹.

Making everyday living expenses work for you

Imagine you earn \$60,000 a year. By salary packaging up to \$15,900 in everyday living expenses you could be up to \$5,241 better off every year.

Without salary packaging

\$32,933

disposable income

With salary packaging

\$38,174

disposable income

\$5,241
net benefit*

* Estimate only. Individual circumstances may vary. See back page for assumptions.

Uncapped benefits

On top of your capped benefits, you can also enjoy and take advantage of a range of uncapped benefits.



Novated leasing

A novated lease is simply another way of saying 'salary packaging a car'. It allows you to use some of your before-tax income to bundle not only your lease payments but all your car's running costs including petrol, insurance and servicing into one convenient regular payment each payday.

A novated lease could benefit almost anyone who needs a car. You don't have to get a brand new car – in fact, you can lease a second-hand car or your existing one, so long as it meets the age requirements. You also don't have to be a high-income earner or drive lots of kilometres to benefit.

With a novated lease, you not only get the car you need, but you could potentially increase your disposable income.

Live, spend and save everyday

With the RemServ Wallet, our "tap-and-go smartcard", you get simple access to your everyday living expenses and Meal Entertainment benefit money. Use it to pay for capped benefits like groceries, fuel, bills and meals in store, online or on the phone. And make real savings on everyday, entertainment and wellbeing offers through our Everyday Savings program.



And more...

- Work-related expenses, including briefcases, PDAs and calculators
- Work-related home office expenses
- Laptops and tablets²
- Subscriptions and self-education
- Interest-only investment loans
- Disability or income protection insurance
- Financial advice fees (for advice relating to salary packaging)
- Airport lounge memberships.





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Assumptions: The estimated potential tax benefit is based on the assumption that an eligible employee salary packages the full \$15,900 per annum limit. PAYG tax rates effective 1 July 2020 have been used and average Fees and Charges are included. Tax, benefit and Medicare Levy calculations are approximate, and assume no other taxable income is received. HELP repayments and taxation surcharges are excluded.

1. The Meal Entertainment benefit has a maximum annual cap limit of \$2,650. This will appear as a reportable fringe benefit on your Payment Summary each year which will be included in a number of income tests relating to certain government benefits and obligations. This is separate from the FBT cap limits for everyday living expenses.
2. Only one laptop and one iPad or tablet can be salary packaged per FBT year and must be used primarily for business purposes.

Important information: This general information doesn't take your personal circumstances into account. Please consider whether this information is right for you before making a decision and seek professional independent tax or financial advice. Conditions and fees apply, along with credit assessment criteria for lease and loan products. The availability of benefits is subject to your employer's approval. RemServ may receive commissions in connection with its services.