

What is Salary Packaging?

Salary Packaging is where you elect to receive part of your pay as a reimbursement of personal expenses (e.g mortgage, rent, credit card etc.). The reimbursement is paid by DASSI from your pre-tax income. Thus the payment is made tax-free. The tax law allows DASSI to salary package in this way.

By salary packaging your salary you reduce the amount of tax that you pay. This **increases your take home pay.**

Following is an example of how salary packaging works. In this example the employee earns \$30,000 per year. He/She is entitled to package \$16,050 of her gross pay per annum and wishes to package the following annual expenses:

Mortgage	\$10,000
Credit Card	\$6,050
Advantage fees (administrator)	\$260

NO PACKAGE		WITH PACKAGE	
You earn (gross)	\$30,000	You earn (gross)	\$30,000
		Then you package:	
		Mortgage	\$10,000
		Credit Card	\$6,050
		Fees	\$260
Taxable income	\$30,000	Taxable income	\$13,690
Income tax payable	\$4050	Income tax payable	\$ 1,359
You take home Then you pay for:	\$25,950	You take home	\$12,331
		Add back	
		Mortgage	\$10,000
		Credit Card	\$6,050
Cash remaining	\$25,950	Cash remaining	\$28,381

This employee is in front by \$2,431 each year

That's \$93.50 extra cash every fortnight!

What can I Package?

As an employee of DASSI you are entitled to salary package a maximum of \$16,050 per annum.

(Please note: Private use of a DASSI car is a fringe benefit and will reduce the amount you can package).

The following items can be included in your salary package:

- Mortgage Repayments
- Private Home Rental Payments
- Credit Cards
- School fees including HECS
- Personal Loan Repayments
- Council Rates and Water expenses
- Life Insurance
- Private Health Insurance
- Childcare through registered providers
- Savings Plans
- Private Travel (e.g. interstate, overseas travel)
- General Insurance
- Motor Vehicle Running Costs
- Telephone, Electricity & Gas expenses
- Salary Packaging Card with ANZ

For any items you salary package, you must **substantiate** the expense. That is, provide to the administrator (Advantage) a copy of invoices.

SAVE TAX

CONTACT ADVANTAGE SALARY PACKAGING NOW

No item that is packaged can also be claimed as a tax deduction on your tax return

You may also salary package the following items. These items do not incur any tax and can be packaged on top of your living expenses

1. Exempt items

You may be able to achieve further tax savings from packaging the following item as it is exempt from tax.

- Meal Entertainment

Refer to the Employee Information Booklet for a further explanation of these terms.

2. Superannuation

You can salary package contributions to a superannuation funds.

Superannuation may be an attractive item to package as it does not incur income tax. A minimum contribution tax of 15% is paid on contributions to private superannuation funds and is paid by the fund from the superannuation account.

If you wish to salary package additional superannuation, remember your money will generally be invested until you retire. It is highly recommended you seek independent financial advice if you wish to salary package superannuation.

How much will I save?

By packaging your salary (to a maximum of \$16,050) you can save approximately the following amounts.

Annual Salary	Savings per year	Savings per fortnight
\$20,000	\$2,050	\$ 78.85
\$25,000	\$2,431	\$ 93.50
\$30,000	\$2,431	\$ 93.50
\$40,000	\$3,331	\$ 128.12
\$50,000	\$4,831	\$ 185.81

What does it cost to Salary Package?

Advantage charges a flat fee of only \$10.00 per fortnight regardless of the amount you salary package. This fee includes GST.

An individual will only pay the \$10 fee for each fortnight there is a salary packaging deduction. When there is no deduction/payment made there will be no fee charged.

Need more help?

If you wish to salary package and need help in getting started or have any questions, you can:

- Ring *Advantage* on (03) 9822 3455 to discuss salary packaging or;
- Make an appointment with *Advantage*. They can assist with the structure of your salary package and the likely tax savings (but are not registered to provide financial counselling) or;

Engage your own financial adviser.

How do I Salary Package?

Step 1: Find out more:

Contact Advantage or DASSI Payroll to obtain an Employee Information Booklet and relevant forms.

Step 2: Apply for the Program:

Complete the relevant forms and send them to Advantage. If required, seek assistance by phoning or meeting with Advantage. There is no additional cost for this support service.

Include **copies** of all the relevant expenses you wish to salary package. Refer Employee Information Booklet. Your salary package may be delayed where your paperwork is incomplete.

Step 3: Independent Financial Advice

If you consider it necessary, seek financial advice from your registered financial advisor or accountant.

Step 4: Send your completed forms to:

Advantage Salary Packaging
PO Box 8480
Armadale VIC 3143

Ph : (03) 9822 3455
Fax : (03) 9822 7455
Email: info@salary.com.au
www.salary.com.au

Advantage Salary Packaging is a division of
Salary Packaging Solutions Pty Ltd
ABN: 59 092 250 989

Disability Attendant Support Service Inc

Salary Packaging Information

In conjunction with

Advantage
Salary Packaging

As an employee of DASSI you are provided with the option to receive salary packaging as part of your remuneration.

Advantage Salary Packaging, a specialised salary packaging management company, has been appointed to manage the DASSI Salary Packaging Program.