

Flexible Salary Packaging for Non-SES Public Sector Employees

The purpose of this contract is to offer non-SES employees from all NSW Government Public Sector Agencies and other Authorised Users an opportunity to use approved contractors for the provision of Salary Packaging Administration Services. Salary packaging enables employees to choose whether to take their remuneration as cash salary or select a mix of cash and non cash benefits to suit their individual needs.

KEY BENEFITS

- The chance to offer employees more flexibility with their remuneration packages
- Voluntary participation of employees
- Opportunity to offer attractive benefits that do not attract Fringe Benefit Tax eg superannuation or are exempt from FBT eg laptops

PRODUCTS & SERVICES

A Salary Package Administration Service. A salary package usually consists of:

- Cash salary;
- Selected non-cash benefits;
- Any relevant fringe benefits tax; and
- The administration fee.

CONTRACT PERIOD

01/04/07 to 31/03/10

HOW TO PURCHASE

All registered State contract users can contact the supplier direct. You may need to quote your NSW Procurement Registration Number.

If you wish to check your organisation's registration number or eligibility to purchase under this State contract, or wish to register as a new customer, please contact the Client Support Centre:

1800 NSW BUY (1800 679 289) or email nswbuy@services.nsw.gov.au

SUPPLIERS

Company: Maxxia Pty Ltd (formerly McMillan Shakespeare Australia Pty Ltd)
Phone: 1300 554 120

Company: nlc Pty Limited
Phone: 1800 643 044
02 8870 4000

Company: SmartSalary Pty Limited
Phone: 1300 4 SMART (1300 476 278)

ADDITIONAL INFORMATION

Salary packages may also consist of:

Non-Cash Benefits:

NSW Public Service employers should offer the benefits listed to employees. Other employers may determine the range of benefits which may be salary packaged by employees.

Optional Benefit Items Impact of FBT

- Additional Contributions to First State Super Not a fringe benefit
- Additional Contributions to other complying Funds Not a fringe benefit
- Motor vehicles (one 100% private novated lease only) Concessionally taxed
- Taxi expenses Exempt
- Child Care (on employer's premises only) Exempt
- Housing - remote areas only Exempt
- Laptops, e-organisers and briefcases (primarily used for business purposes) Exempt
- Priority of access fee for child care Exempt
- Mobile telephones (primarily used for business purposes) Exempt
- Professional Subscriptions Otherwise Deductible
- Education Expenses (self and professional) Otherwise Deductible

Additional Superannuation Contributions:

Employees may salary sacrifice additional contributions to superannuation. These pre-tax contributions can be made to the First State Superannuation Scheme or to any complying superannuation fund. Salary sacrifice contributions may only be made to one fund, not to multiple funds.

Novated Motor Vehicle Lease:

A novated motor vehicle lease is a three way arrangement between a finance company, an employee and an employer. The vehicle is registered and insured in the employee's name.

The following costs will be incurred:

- Lease payments;
- Standing costs, such as registration and insurances;
- Running costs, including petrol, servicing and maintenance;
- Fringe benefits tax;
- The administrative fee levied by the service provider;
- Any fines associated with traffic infringements and parking fines; and
- Payment of GST on the value of lease rentals, standing and operating costs (except for registration fees) and any residual payment required at the end of the lease.

Remote Area Housing Benefit:

An employee may salary package rental payments in respect of accommodation provided by their employer in a remote area. The remote area must be the employee's usual place of employment. A number of conditions have to be met, including:

- the nature of the business means that employees are likely to move frequently from one residential location to another; and
- there is insufficient suitable residential accommodation available in the area in which the employee is employed

In-house Child Care:

An employee may salary package the cost of child care fees paid in respect of care provided for their children in a child care centre located on their employer's business premises.

Priority of access fee for child care

Taxi Expenses:

Employees can salary package taxi expenses if certain conditions are met. These include where:

- the expense arises from a single trip by a taxi beginning or ending at the employee's workplace, or
- the taxi trip arises because of an employee's sickness or injury and is between the employee's workplace, residence or any other place that it is necessary or appropriate for the employee to go as a result of the sickness or injury.

10/09

FURTHER INFORMATION

For further information, or for a copy of the Contract Guide, please contact the Client Support Centre.



1800 NSW BUY
1800 379 289



www.nswbuy.com.au
www.nswprocurement.com.au



nswbuy@services.nsw.gov.au



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