

# easineWS

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## fringe benefit tax made *easi*

*A 'fringe benefit' is a benefit provided to you as an employee. If, as an employee, you have been receiving the benefit of a novated lease over the past year, you are liable to pay Fringe Benefit Tax (FBT). March 31 marks the end of the year for FBT purposes.*

The amount of FBT you have to pay will have been calculated when you first signed your novated lease contract. easifleet would have advised you at the time on how best to manage your FBT payments during your lease. However, as there may have been changes in the actual number of kilometres you have travelled during this FBT year, it is always a good thing to recheck the amount of FBT you are liable for.

### HOW TO CALCULATE YOUR FBT LIABILITY

Your FBT liability can be calculated by using this equation: (FBT base value X FBT rate) X (total number of days car was available for use ÷ total number of days in the FBT year).

The 'FBT base value' refers to the total cost of your vehicle, including GST but excluding stamp duty and registration. FBT rates are referred to by the Australian Tax Office as the 'Statutory Fractions'.

Distance Travelled	FBT Rate
< 15,000 kms	26%
15,000 – 24,999 kms	20%
25,000 – 40,000 kms	11%
> 40,000 kms	7%

As you can see, the more kilometres you travel, the lower your FBT rate. Not very environmentally friendly we know, but these rates are set by the ATO!

### LET'S MAKE THIS *easi*...

As an example, consider Mary's situation. Mary has a \$30,000 car on a novated lease. She has travelled 23,000km during the FBT year and her car has been available for use for 365 days.

Mary's FBT is calculated as (30,000 x 20%) x (365 ÷ 365) = \$6000.00.

With the recent implementation of the "Employee Contribution Method", your FBT can be managed throughout the year. Under the ATO's rules, every dollar made as a post-tax deduction reduces your FBT liability by the same amount. So, if your FBT liability is projected to be \$6000, your salary packager can ensure that \$6000 is taken from your post tax salary over the year. This ensures you don't get lumped with a large FBT bill after March 31.

*If you have any questions or concerns about your FBT liability, now is the time to contact easifleet. Call us now on 1300 266 828.*



## discount driving

Throughout March, easifleet is offering a discount on an operating lease for a range of Holden Epica models. Monthly payments start from as low as \$491.07.

To discuss how you can save with an easifleet operating lease, contact Ricky Iriks on 9473 6351 or email [update@easifleet.com.au](mailto:update@easifleet.com.au).

## making things easi for you

Our onsite presentations are part of our commitment to ensuring everybody who takes out a novated lease with easifleet has a clear understanding of what is involved and the benefits they can receive. We are the only novated lease business in Western Australia to offer this level of personal service.

We can travel to most business locations throughout Western Australia. Where we are unable to visit in person, we can send out an information package and a DVD of a live presentation.

If you are interested in having us visit your workplace to introduce your employees to our novated lease product, contact our Managing Director, Mark Iriks, at [markiriks@easifleet.com.au](mailto:markiriks@easifleet.com.au).



## easifleet at work



### Meet Ricky.

If you already have an operating lease or want a quote on one, Ricky is definitely the person to speak to. Ricky has been with easifleet for almost a year, and has been in the car sales industry since 2004. Being able to get out and about to communicate with clients is what makes her job so satisfying. 'Seriously, having an operating lease means someone else sorts through all the issues associated with owning a car. It lets you get on with running your business'. Yes, she's a salesperson at heart! But on the outside, Japanese vehicles are Ricky's favourite, along with weekly rides on her motorbike for a bit of shopping. And then it's a fancy dinner or some homemade cooking (à la Ricky) with family and friends.