

Novated Leases & FBT Management

The Selectus Novated Lease is a true fully maintained product.

Your vehicle running and finance costs are deducted in one payment from your pre-tax salary.

You can keep track of under and over spending in your budget through your online account portal.

Selectus vehicle leases and operating budgets are fully reconciled leases.

Any balance held in your lease account at the end of the FBT year is carried forward into your account to be used for budgeted expenses in the next FBT year.

If you are re-leasing or commencing a new lease the account is reconciled and finalised. The funds are then returned to your salary packaging account. Any balance of funds can be paid to the new contract once the relevant accounting process is completed.

When a package is finalised and there is no re-lease or new vehicle lease, any unused funds are returned to your employer and paid to you as taxable salary.

Employee Online Account

The Selectus web based system ensures you have constant and immediate access to information to reconcile payments with packaging accounts and payroll deductions.

Being able to check monies received and disbursed is convenient and time saving.

You can track your kilometres, spending and payroll deductions for full up to date information on your package.

The Driver Report includes:

Funds Summary

- Based on the budgeted and actual funds received.
- Expenses incurred to date.
- Reflects true balance of account.

Current Funds Balance

- Dollar amount of actual funds available in the account.

Negative Balance

- Indicates account is overdrawn.
- Expense claims may not be processed until account is back in credit.
- Use of the WEX Motorpass Fuel Card may be limited.
- Selectus actively monitors accounts and will intervene once certain thresholds have been breached.
- You should contact Selectus to discuss your options or arrange any amendments required.

Positive Balance

- Shows the dollar amount available that can be used for vehicle operating expenses.

Kilometres Travelled

- Shows what the odometer reading should be compared to the last given reading so that you remain on track for targeted kilometres, if required.

NOTE:

For the first two or three months of your Selectus Novated Lease your balance may be negative but Selectus manages this during this initial period until sufficient funds have been collected.

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Private Education/Rebatable Employees

If you are able to salary package up to \$30,000 grossed up pa and the grossed up amount of your salary packaged car is \$12,000, the remaining grossed up amount of \$18,000 can be used for other expenses such as mortgage payments or credit card payments.

Employer makes pre-tax deduction from employee's salary

The pre-tax amounts cover the lease and total running costs of the vehicle package

Determining the FBT value

Leases prior to 10 May 2011 have a statutory fraction based on the number of kilometres travelled in an FBT year. Since 10 May 2011 the statutory fraction is 20% with a phase in period ending in 2014. Refer to the Kilometres Travelled Infosheet.

$$\text{Vehicle Base Value} \times \text{Statutory Rate 20\%} = \text{FBT Value}$$

Examples:

FBT is not paid on stamp duty, registration and third party insurance paid on a new vehicle.

New Vehicle Price	\$35,000
Less Stamp Duty, Registration & Third Party Insurance, say	\$2,000
Base Value	\$33,000

$$\$33,000 \times 20\% = \$6,600$$

GST is not payable on the purchase price of a salary packaged vehicle. For example:

Retail Price of Vehicle	\$38,500
Less GST	\$3,500
You only finance	\$35,000