

Remote Area Benefits



Novated Leasing Pty Ltd

trading as

Statewide Salary Packaging

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What is a Remote Area Benefit?

- ▶ Remote area benefits are Fringe Benefit Tax (FBT) related concessions that are available to eligible employees who reside **and** work in an area classified as remote by the Australian Tax Office (ATO).

Please visit www.ato.gov.au for a full list of Queensland and Tasmania remote areas as nominated by the ATO.

Remote Area Rent

- ▶ Employees leasing a property from their employer can salary package 100% of the rental payment from their pre-tax salary as an FBT exempt benefit.

Employees leasing a rental property can salary package 50% of the rental cost* with pre-tax funds as an FBT exempt benefit. The remaining 50% would be paid from post-tax funds (normal salary).

**Please note that for employees living in accommodation that is not owned/leased by the employer, these benefits are only beneficial to when the employee pays a marginal tax rate of 37% (plus a 2% Medicare levy).*



Why salary package a Remote Area Benefit?

- ▶ Salary packaging remote area benefits allows employees to reduce the amount of tax they pay by salary packaging certain expenses. These include rent*, mortgage interest and residential fuel. This benefit leads to potentially significant tax savings, allowing employees to make the most out of their pay.

Other Remote Area Benefits

- ▶ **Mortgage Interest**
To realise 50% exemption, 100% mortgage interest payments must be packaged, and FBT liability is included for the remaining 50%.
- Residential Fuel**
To be eligible for a reduction in taxable value for remote area fuel, an employee must also be claiming a rent or mortgage interest remote area benefit.
Employees provided with residential fuel by their employer for use in connection with their residence, the employee can salary package 50% of the fuel cost from their pre-tax as an FBT exempt benefit.

How to get started:

Fill out an enquiry form on our website



www.statewide.net.au

OR



remote@statewide.net.au

1300 76 1114



Eligibility for Remote Area Benefits must be approved prior to obtaining permission to salary packaging Remote Area benefits. Written confirmation must be provided to Statewide Salary Packaging to substantiate application for Remote Area benefits. Confirmation also required to verify that residence and employment take place in the Remote Area. Depending on the benefit packaged, the nominated amount will be deducted from pre-tax salary and your income tax adjusted.