

Frequently asked questions.

What is Salary Packaging?

Salary Packaging is an arrangement between you and your employer whereby you give up some of your income in return for other workplace benefits of a similar value.

This means you can pay for workplace benefits (permitted by the Australian Taxation Office) with money set aside from your salary before it gets taxed.

By paying for workplace benefits with before-tax dollars, you could reduce your taxable income and increase your disposable income. Your employer will offer a range of benefits you can access if you choose to salary package some of your regular wage.

What kind of workplace benefits can I package?

The most popular benefits you can package include superannuation, laptops (primarily for business use), cars and work related expenses.

Some employee groups, such as employees of hospitals or charities, can salary package their mortgage repayments, credit card bills and meal entertainment.

Check your Employee Information Guide for the types of workplace benefits available. You can download a copy at maxxia.com.au/my-hub or via maxxia.com.au/salary-packaging/what-can-i-salary-package.

How do I pay for benefits through Salary Packaging?

Your employer offers a range of workplace benefits administered by Maxxia.

After you sign-up with us, your payroll department sends your agreed before-tax contribution to your Maxxia Salary Packaging account each time they pay you. They send the rest of your pay to your nominated bank account as usual. PAYG tax is applied to this portion of your salary.

We then use your before-tax dollars from your Maxxia Salary Packaging account to pay for your chosen benefits according to your instructions.

What does Salary Packaging cost?

We look after your Salary Packaging for a small fee which is paid out of your before-tax dollars.

Check your Employee Information Guide for details about fees.

Are Maxxia's administration fees salary packaged?

Yes, all fees involved can be salary packaged. Salary Packaging fees do not contribute towards any applicable capping threshold and do not attract Fringe Benefits Tax (FBT).

What is Fringe Benefit Tax (FBT)?

Fringe Benefit Tax is a tax on the benefits your employer provides you with that are not in the form of cash salary or wages. Under federal legislation, benefits provided by your employer are not subject to PAYG tax, but FBT may be payable on the benefit. The current FBT rate is 47%.

Most benefits attract FBT however the FBT Act determines that certain items, such as superannuation, professional memberships and work-related travel, are FBT exempt. This means that by Salary Packaging these items, no FBT is payable.

When is the FBT year?

The FBT year runs from 1 April to 31 March.

What happens if I commence salary packaging halfway through the FBT year?

If you are Salary Packaging benefits that do not attract FBT, such as superannuation contributions or professional memberships, there is no impact on your arrangements. If you are Salary Packaging benefits under a capping threshold, you may be able to increase your fortnightly contributions for the remainder of the FBT year to make sure you maximise your tax savings. This will depend on your employer's salary packaging policy.

What does employer FBT status mean?

Your employer FBT status is a ruling determined by the FBT Act and confirmed by the ATO, that allows some organisations a concession or exemption from FBT.

What does capping threshold mean?

Depending on your employer's FBT status, you may be eligible for an exemption on FBT up to a certain limit – this is known as your capping threshold.

The value of your FBT exemption is reset each FBT year. Any residual amount you are eligible for does not carry over to the following FBT year.

Please consult your Employee Information Guide to find out your capping threshold as the FBT value amount varies from between a grossed-up value of \$17,000 or \$30,000, based on your employer's FBT status. These are as follows:

1. Hospitals (\$17,000 grossed-up);
2. Charities or not-for-profit (\$30,000 grossed-up);
3. Independent schools and associations (Rebatable FBT);
4. Public schools, Government departments and private companies (Full FBT).

Frequently asked questions.

Salary Packaging cont.

If you work in a public hospital, charity or not-for-profit organisation, you may be eligible to salary package meal entertainment, venue hire and holiday accommodation expenses. These benefits are subject to an additional combined, single annual cap limit of \$2,650 (\$5,000 grossed-up) per FBT year.

How do I change my Salary Packaging arrangements?

Sometimes as your circumstances change, you may like to add a new benefit, adjust a contribution amount, payment date or just update your phone number. When you need to update your account select from the following:

- Login to your Maxxia Online account;
- Email us at info@maxxia.com.au;
- Call us on **1300 123 123** (this service is available between 8am to 7pm Eastern Standard Time (AEST)).

How do I check my Salary Packaging account balance?

You can check your account balance quickly and easily via Maxxia Online. Simply:

1. Go to maxxia.com.au.
 2. Select Account login at the top of the page.
- To register for Maxxia Online, follow the above steps and select Register now. You will need your username and password.

Can't find your password?

Just click on the 'Forgotten Password' link to arrange for your password to be sent to you.

What is the Maxxia Wallet and how does it work?

The Maxxia Wallet¹ is a card that gives you simple access to your Salary Packaging and Meal Entertainment benefit money, allowing you to live, spend and save smarter.

Your before-tax dollars are loaded onto your card by Maxxia, making it easy to pay for salary packaging and meal entertainment expenses when you're out and about, paying online or over the phone. You can use your card to pay for groceries, shopping, fuel, bills, dining out with others and much more.

The innovative Maxxia Wallet will help you get more out of your income through enhanced technology, functionality and convenience, giving you:

- Real time updates on card balances and account information;
- Management of both salary packaging and meal entertainment benefits through the one smart card;
- Tap and go, with Visa payWave technology;
- Make real savings on everyday products and services through an exciting discount program (coming soon).

What happens if I leave my place of employment?

Where possible, please provide us with four weeks notice prior to leaving your employer.

Just call us or email info@maxxia.com.au a month before you cease employment and we will do the rest.

We will reconcile your account to ensure that any surplus or deficit is accounted for, and the correct rate of tax has been calculated and properly charged. Any surplus funds will be returned to your employer and treated as taxable income.

What happens if I go on leave of absence?

You must let us know four weeks prior to your leave of absence. Salary Packaging arrangements continue during periods of leave. If you wish to suspend or reduce your Salary Packaging arrangements you should notify us.

What happens if I change employer?

Please advise Maxxia of your last day of employment along with the commencement date of your new position, your new employment status (full, part-time, casual) and new payroll ID number. Simply contact us via Maxxia Online, send us an email to info@maxxia.com.au or call our Customer Care Centre on **1300 123 123**.

Need more information?

Contact our friendly Customer Care Team on **1300 123 123**.

IMPORTANT INFORMATION

1. The Maxxia Wallet is issued by Heritage Bank Limited ABN 32 087 652 024, AFSL 240984 ACL 240984. Maxxia Pty Ltd (Maxxia) acts as authorised representative of EML Payment Solutions Limited ABN 30 131 436 532, AFSL 404131 as distributor of the Maxxia Wallet. For more information about the card please read the Product Disclosure Statement which is available here live.maxxia.com.au/pds.

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