

# Novated Leasing

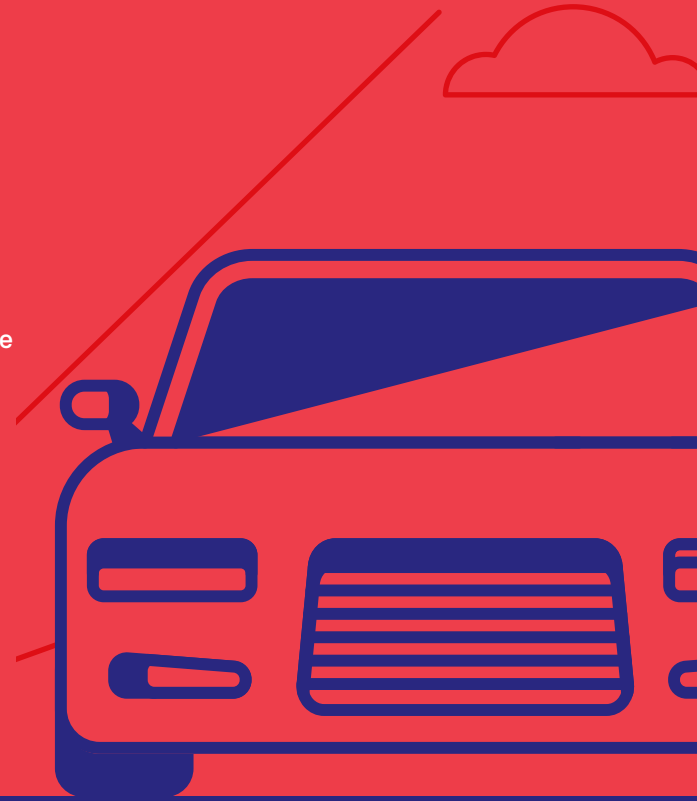
## An Easi Novated Lease makes vehicle ownership a money saving solution.

A Novated Lease is a three party agreement between the driver, the employer and Easi. The driver enters into a finance lease with Easi and then a novation agreement is used to transfer some of the lease obligations to the employer.

Once the novation agreement is in place, the employer is considered to be leasing the car. This allows the car to be treated like a company car which provides significant income tax and GST savings to the driver.

To maintain the Novated Lease, the employer deducts the regular payment from your salary, and then remits this amount to Easi to pay for all the car's running costs.

We will help to monitor the driving habits and car expenses to ensure the Novated Lease budget stays on track.



## How do you save? Firstly, repayments are made from pre-tax salary dollars; this is a significant tax saving over the life of the lease.

Secondly, by purchasing and maintaining the car through Easi, GST does not apply on the purchase price or ongoing costs and discounted fleet pricing applies on all associated costs, a saving of thousands over the life of the lease.

### How?

Regardless of whether your employer currently offers salary packaging, Easi can provide you with a Novated Lease. You simply let Easi know which car you would like to purchase and request a quote.

Easi will guide you through the finance application and process the application on completion. Easi will open up a salary packaging account for you with your employer and send a payment schedule of pre and post tax deductions to the payroll department, along with a tax invoice. It's that easy.

## Easi Salary Packaging

Salary packaging is where an employer and employee agree that the employee's remuneration package will be received by way of a combination of cash salary and non-cash benefits. Anyone who is employed, and has approval, is able to salary package and potentially save thousands of dollars each year.

Instead of receiving a gross income, on which income tax is payable, employees can choose to take part of their pay in some other form of benefits before income tax is applied. These are known as employer provided benefits.

Easi partner with employers and employees to set up and explain salary packaging in easy to understand terms.

We then assist the Payroll Department with applying the packaging schedule and provide assistance with managing the deductions for the length of the lease.

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## Fringe Benefit Tax

As the owner of a Novated Lease vehicle, the employer is potentially subject to Fringe Benefits Tax (FBT).

Under the Australian Tax Office rules, every dollar made as a post tax deduction reduces the FBT Taxable Value by the same amount.

It is usual, under a Novated Lease arrangement, for the employee to repay the employer this amount. This Taxable Value can be offset using the 'Employee Contribution Method' (ECM). An Employee Contribution is an amount towards your lease payment that has already been taxed, a 'post tax' amount. Every dollar made as a post tax contribution; reduces the Taxable Value by the same amount.

Most employers will offer the Employee Contribution Method as the standard payment model.

The amount of post tax contribution you are required to make is included in the driver's Novated Lease quote.

Download and complete an Employer Registration form at [Easi.com.au/tools/employer](http://Easi.com.au/tools/employer)

## Already have a Salary Packaging Provider?

No problem. We guarantee to beat any competitors Novated Lease quote and we're happy to arrange the packaging component through your employers current provider.

Easi will simply issue a 'Packager Advice' to the Payroll Department and the employer decides how the payments should be deducted to cover the invoice.

## Employer Benefits

Employers offer salary packaging options to boost employee remuneration and retain hard working and dedicated staff. Becoming an employer of choice is easy with Easi salary packaging and Novated Leasing.

# Novated Leasing

## Benefits

### Employee

By novating the purchase of your next vehicle with your employer, you will be able to make the most of your take home pay by reducing your taxable income and owning the car of your choice for a fraction of the cost.

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#### Employees benefits from:

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Discount on purchase price (usually upwards of \$6,000)

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Choice of vehicle, without a deposit

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Employee owns the car and can take the lease with them if they change employers

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Reduced taxable income, higher net salary

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Vehicle operating costs are GST free

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All costs are budgeted for, avoiding large lump sum payments during the year

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Easy to access online statements

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Assistance selling or trading in current vehicle

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### Purchase Price

An Easi Novated Lease allows you to purchase any vehicle at GST free prices and Easi's extensive buying power enables us to source vehicles at heavily discounted fleet prices.

### Ease of Purchase

Easi makes buying a car easy. Our Novated Lease specialists guarantee to get the absolute best price for your chosen vehicle. We take all the leg work and

### Employer

Become an employer of choice. A salary packaged Novated Lease is an increased remuneration package option that allows employees to make the most of their take home pay by reducing their taxable income and giving employees the opportunity to own the car of their choice for a fraction of the cost.

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#### Employers benefits from:

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Reduced fleet administration costs

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No requirement to buy and maintain fleet vehicles

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No capital required to fund the purchase of new company vehicles

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No unwanted vehicle disposal when employees leave

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A cost neutral way to improve remuneration and retention

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Vehicles remain off balance sheet

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The lease moves with employees if an employee leaves the company

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Decreased payroll tax and WorkCover expenses

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Annual FBT reports supplied for all drivers

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Pre and post payroll schedule and tax invoice all supplied by Easi

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negotiation out of finding the perfect car at the lowest price. Best of all, we pride ourselves on friendly and efficient service every time.

Our novated specialists then prepare an easy to understand quote, which includes all servicing, fuel, maintenance, optional extras costs and a full salary impact statement, so you can see the complete cost of the vehicle and your take home salary.

When you're happy with the quote, we take care of ordering, tracking and delivery of your vehicle direct to you.

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## Quick Guide

### What is the GST savings on the purchase price?

When you purchase a vehicle on a Novated Lease you don't finance the GST (up to a maximum of \$5,224.18). That's a significant saving.

### How to save on tax

A Novated Lease allows you to pay for your repayments and running costs from a combination of pre and post tax dollars, reducing the income tax you pay to the ATO.

### Management of all your car's expenses

Before quoting a new lease your novated specialist will discuss your driving habits and add up all the expenses that will be required to run and finance the car for the term the lease.

All vehicle related expenses are covered in your Novated Lease, giving you peace of mind. Fuel is covered with your Easi WEX Motorpass and servicing and tyre expenses are paid directly to the service centre by Easi. Our service managers closely manage your account to ensure your lease budget stays on track.

If your driving habits change we will contact you to adjust your package to ensure you won't be over budget at the end of the lease.

## Comparison

Novated Lease		Consumer Loan
Price (no GST)	\$22,836.80	Price (GST) \$25,000
Tax Savings	\$10,500	Tax Savings \$0
Total Cost	\$22,727.27	Total Cost \$36,344.21



**Total Savings**  
**\$13,616.94**

\* Figures are based on two Administration Officers with Income: \$60,000 / Buying: \$25,000 Car / Travelling: 15,000km a year / Loan: 5 year term

# Novated Leasing

## Novated Lease Package



### Fuel

Enjoy saving at the fuel pump with your Easi WEX motorpass. Easi WEX motorpass is accepted at over 5800 fuel outlets Australia wide. Drivers also enjoy a 2 cent per litre discount at BP, as well as Woolworth Everyday Rewards and FlyBuys points at point of sale. Download the free and easy to use site locator app to find your nearest location.



### Roadside Assistance

Easi's roadside assistance package covers unlimited callouts, free towage within 20 kilometres of town limits, free fuel delivery, free flat battery callout, free flat tyre change, free immobiliser deactivation service, transportation where possible and necessary in the event of an accident and a free vehicle key lock-out service.



### Servicing and Maintenance

Easi provides hassle free servicing and maintenance at fleet discounted prices at with manufacturer recommended service agents.



### Information Presentations

Easi provide onsite information presentations to provide advice, answer questions and offer individual quotations. We can set up a designated portal for your organisation on the Easi website so employees can be privy to exclusive deals and driver information.



### Tyres

Discounted tyres are built into the package according to vehicle type and the number of kilometres driven.



### Online Services

[easi.group](http://easi.group)

The Easi website provides web reporting facilities. Reports are updated continuously to allow fuel and service transaction history, just like online banking.



### Registration

Annual registration of the vehicle is automatically paid by Easi on behalf of the owner.



### Quote

obtain a quote or find out how much you could save with a Novated Lease you can contact our Novated Lease department on 1300 266 828 or email [novate@Easi.com.au](mailto:novate@Easi.com.au)



### Driver Training

Specialised driver training courses can be arranged to meet both individual and business needs.