



PERSONNEL - POLICY - EMPLOYMENT CONDITIONS

- Allowances - Council Rates & Charges

Policy

Council will provide staff with the option to pay up to \$1,000 of their Council rates and charges by salary sacrifice arrangement, subject to the relevant clauses of the Fringe Benefits Tax (FBT) legislation remaining unchanged.

Objective

To provide a financial benefit to staff which is legal and at no cost to Council.

Procedures/Practice

Council is able to provide a FBT exempt benefit of employer provided goods (ie Council rates) up to \$1000 pa to staff at no financial cost to Council.

Section 62 (1) (a) & (b) allows for a reduction of aggregate taxable value of in-house fringe benefits up to a maximum of \$1,000.

Under this provision Council staff can salary sacrifice Council charges such as rates, water billing or childcare totalling up to \$1,000 per fringe benefits year (being 1 April to 31 March). There is no FBT liability on the part of Council.

Staff will provide written advice on the prescribed form to the Payroll Officer that s/he will participate in this salary sacrifice arrangement.

References

- Administrator's Minute, A.2.4 "Salary Sacrifice: Council Rates And Charges", at Council's meeting on 28 February 2005 (file No:56/003).
- Fringe Benefits Tax Assessment Act 1986 – Section 62.
- This policy was adopted by Council at its meeting on 19 December 2016. It replaces that of the same title adopted 24 June 2013.

Review Date

November 2020, by the Director Corporate & Community Services

Authorised by:.....

Waid Crockett, General Manager

Date

3/3/17