



Centacare

Salary Packaging Benefits

(It is important to note that it is a requirement for workers to work a minimum of 10 hours per week to be eligible for salary sacrificing)

Centacare is a Public Benevolent Institution (PBI). One benefit of this is that the Australian Taxation Office allows each employee up to \$15,900 salary tax free per year (\$611 per fortnightly pay). If you choose to do this, the tax free amount must be paid to a GST free bill. Most staff send this amount to:

- Mortgage
- Personal Loans
- Credit cards
- Residential Rent

The tax savings per year can be worth thousands of dollars. An administrative cost applies for arrangements for salary sacrifice which is \$10 per fortnight before tax (\$7 after tax for most).

Salary Sacrificing - Example of a Maximum Benefit at SCHCADS Award, Level 5 Paypoint 1

SCHCADS Level 5 Step 1 38 hours per week	Salary with no sacrifice - all taxed		Max salary sacrifice -\$611 tax free	
	annual	fortnight	annual	fortnight
Total Package	\$65,008	\$2,500.32	\$65,008	\$2,500.32
Less Cash Sacrifice	\$0	\$0.00	\$15,900	\$611.53
Less Salary Sacrifice Fee	\$0	\$0.00	\$260	\$10.00
Salary to be taxed	\$65,008	\$2,500.32	\$48,848	\$1,878.79
Tax on salary	\$12,753	\$490.00	\$7,397	\$284.00
Medicare Levy	\$1,300	\$50.00	\$977	\$38.00
Total net take home pay (including cash sacrifice)	\$50,955		\$56,375	
Tax savings			-\$5,419	-\$208.43
Totals to tell Centrelink if applicable				
Gross Earnings	\$65,008		\$48,848	
RFBA	\$0		\$31,177	
	\$65,008		\$80,025	

Important Note: Reportable Fringe Benefits Amounts (RFBAs) are reported on your payment summary which can affect HECS, Child Support, Medicare Levy Surcharge, Family Tax Benefit and Child Care Rebate.

Other Employment Benefits include:

- Salary Sacrifice Cards for Meal and Entertainment
- Health Insurance discounts with BUPA and Medibank Private