

Novated leases made easy

What is a novated lease?

Essentially, a novated lease is an arrangement entered into by three parties – Employer, Employee and sgfleet - which enables the employee to lease a car of choice within a negotiated salary packaging arrangement.

If you are not interested in purchasing a brand new vehicle sgfleet has a selection of premium quality ex-lease vehicles for sale. These vehicles are the best of the best, typically only two to four years old and have full maintenance records. To see the selection of cars available visit – www.sgfleet.com

Calculate the savings

Everyone's financial situation is different so sgfleet have a calculator which is available at

www.sgfleet.com for you to work out what the potential financial benefits can be for you.

FBT & ECM

Fringe Benefits Tax (FBT) is applied to all company vehicles used for private use. Because a novated lease is classed as a company vehicle for tax purposes, a novated lease attracts FBT. Using the statutory calculation method, FBT is based on the number of kilometres you travel each year and calculated concessionally at the highest tax rate of 46.5%.

If you don't drive very much and are not paying the highest tax rate, the Employee Contribution Method (ECM) is a way of offsetting the FBT liability by making payments towards your car's running costs out of post tax salary. It makes a novated lease attractive to just about everyone!

Novated lease benefits

1. FINANCIAL BECAUSE

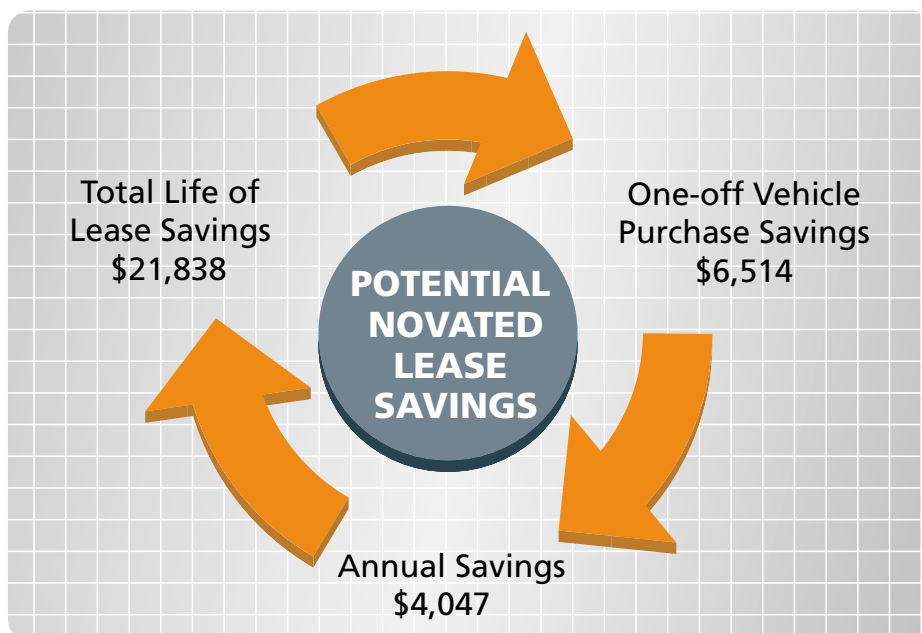
- ➔ Vehicle finance and running costs are paid using pre-tax dollars.
- ➔ Vehicles may be financed net of GST.
- ➔ Additional fleet discounts can be achieved through sgfleet's purchasing power.
- ➔ Maintenance expenses are controlled by sgfleet using our team of Automotive Mechanical Engineers.

2. FLEXIBILITY BECAUSE

- ➔ You can choose the vehicle you drive (new or used).
- ➔ You can select the term of your lease.
- ➔ A novated lease is portable between employers.

3. CONVENIENCE BECAUSE

- ➔ Everything is included in one payment that is managed by sgfleet through your employer.
- ➔ Lease payments are fixed for the term of the lease.



Assumptions

- ➔ New Subaru Liberty Premium 2.5 Sedan
- ➔ Travelling 18,000 kms per annum
- ➔ 3 year lease term
- ➔ \$80,000 annual gross salary
- ➔ 100% FBT offset using the employee contribution method (ECM)

For more information visit our website at: www.sgfleet.com

Or contact our novated lease team on:
apaccountmanagers@sgfleet.com
 Phone: 1800 818 487
 Fax: (02) 9391 5602