



# FIFO FLIGHTS

Same pay more money – Give yourself a payrise



Salary sacrifice – or salary packaging – is an Australian Tax Office (ATO) approved method of increasing your take-home pay, by lowering your taxable income.

Salary sacrificing enables you to pay for a range of living expenses with your pre-tax salary. Facilitated by Benefit@bility, it is an arrangement between you and your employer.

By “sacrificing” part of your salary to pay for these items, you’re reducing your taxable income, as you only pay tax on the remaining portion of your salary. This means that come payday, you have more money in your pocket.

ATO have approved a number of ways that employees can benefit from salary packaging if they live and work in ‘remote areas’, allowing you to save on your all your FIFO flights for the year.

For employees who work in Remote Areas and fly to a Remote Site, the cost of the flight can be salary packaged, saving you thousands per year.

## Benefits



Save on PAYG tax.



Save the GST, if any.



Manage your rostered flights.

## What Can I Package ?



The cost of the flight

## How Much can I Save?

The amount you save depends on your tax rate, how many flights you take and the cost of the flights. The savings are not retrospective, so you can only save the tax from the time you enrol.

The higher your tax rate, the more you can save by using the FIFO benefit, primarily because you are paying for benefits using pre-tax money.

## Who will qualify for the FIFO Flights Benefit?

You will qualify for this benefit if you satisfy the following:

- You work and live at a remote site and are required to return home after your roster
- Your flight is part of the rostered travel time
- Your employer has defined the flight departure location to be a transit point for the swing

### Case Study

Tom works for a mining company and is required to take a flight from Perth to the Pilbara every cycle. Whilst in the Pilbara, he lives at the remote site and then returns home to Perth after his cycle is complete. Tom earns \$200,000 per year and operates heavy machinery. Tom would like to package the costs of his FIFO Flights and is told by his employer, that he can. Tom's return flight is \$600 per cycle and he commutes 16 times a year, at a total cost of \$9,600, plus GST



Cost of the Flights	\$10,560 (incl. GST)
GST	\$960
Marginal Tax Rate	45%
<b>Savings per year</b>	<b>\$5,472</b>
Medicare savings	included

## Frequently Asked Questions?

- You must be employed to access the benefit.
- You must be under the direction of your employer for the flight.
- You must have cleared funds in your salary packaging account to purchase the tickets.
- The benefit is only available as a salary packaged benefit.

## What do I need to do?



### Step 1:

Check to see if your employer allow you to package self education benefits. If not, ask us to contact them and work through the benefits



### Step 2:

Go to our calculator and work out how much you can save and then submit the calculation to ourselves



### Step 3:

Our consultants will call you back and establish packaging for you through your employer



### Step 4:

You package the Benefits before tax and we refund the cost of education to you.