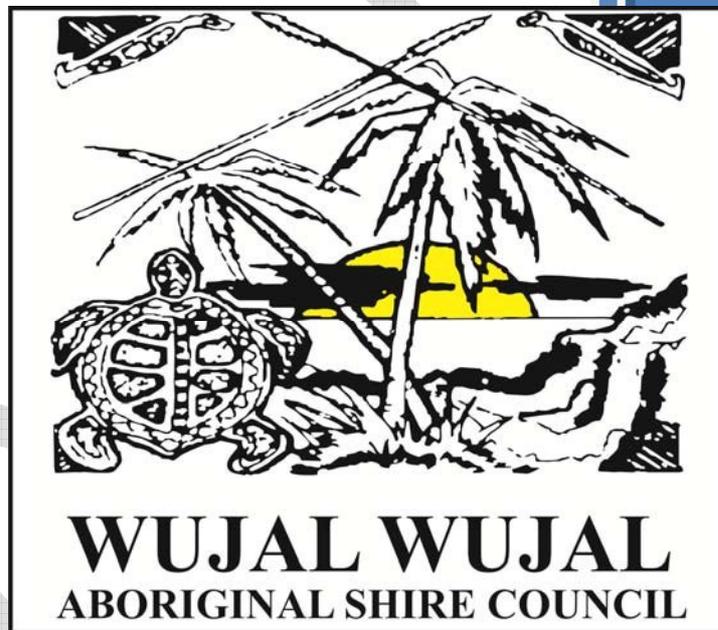


Salary Packaging Policy



Wujal Wujal
Aboriginal
Shire Council

WUJAL WUJAL ABORIGINAL SHIRE COUNCIL

POLICY STATEMENT

SUBJECT: SALARY PACKAGING POLICY

AUTHORITY: Council of the Whole.

PURPOSE: This policy sets out Wujal Wujal Aboriginal Shire Council (Council) salary packaging framework.

POLICY: Salary Packaging Policy

1. POLICY OBJECTIVES

The Council's Salary Packaging Policy aims to:

Enable staff members to participate in a salary packaging program, whereby the staff member can receive part of their salary in the form of benefits, payment of which is deducted from the staff members' pre-tax salary rather than after-tax salary.

2. POLICY SCOPE AND RESPONSIBILITY

This policy applies to new or existing staff members of the WWASC. It does not apply to casual staff and short-term visitors.

3. SALARY PACKAGING PRINCIPLES

Salary Packaging is a tax effective way to receive your salary as a combination of income & benefits that allows you to deduct some of your pre-tax income & use it to pay for a variety of benefits.

By reducing your pre-tax income, you can reduce the amount of income tax you pay & in turn increase the amount you take home each pay day.

4. POLICY

- A staff member, other than a casual staff member, may enter into a salary packaging program, to the extent possible under legislation, from a list of items and conditions prescribed by Salary Packaging Australia (SPA).
- A Salary Packaging Program should not normally be greater than 50% of a staff member's remuneration received from the WWASC. It is the responsibility of the staff member to immediately inform the WWASC and its salary packaging provider of changes in their circumstances that have, or are likely to have, an effect on their capacity to receive 50% of their remuneration.
- A staff member should seek their own professional legal, financial and taxation advice. The WWASC accepts no liability for staff members failing to obtain advice on financial matters concerning their remuneration.
- A staff member who enters into a Salary Packaging Program agreement with the salary packaging provider, will be subject to all terms of the agreement.
- Salary packaging arrangements must comply with relevant taxation legislation and rulings, which may change occasionally. The WWASC will endeavour to provide notice of any change to the benefits and arrangements available. Where advance warning may not be possible, for example if there are

legislative changes which have immediate or retrospective effect, notification will be sent as soon as practicable.

- In accordance with the Australian Taxation Office rules, salary packaging arrangements must operate prospectively.
- All Fringe Benefit Tax (FBT) liabilities and administrative costs associated with salary packaging are to be met by the staff member.
- All costs associated with salary packaging are the financial responsibility of the staff member and are to be met by the staff member, including in circumstances such as leave without pay or termination of employment.
- A staff member accepts that WWASC will recover any payment of salary and benefits paid in advance.
- The WWASC bears no liability or responsibility to meet any obligation, financial or otherwise, arising from a staff member's decision regarding participation in any salary packaging arrangements.
- The WWASC reserves the right to terminate any salary packaging arrangement in the event of a serious breach of agreement by the staff member.

5. REVIEW

It is the responsibility of Corporate Services to monitor the adequacy of this policy and recommend appropriate changes. This policy will be formally reviewed by Council annually.

DELEGATION: Authority in respect of this Policy is hereby delegated to the Chief Executive Officer.

RESOLUTION DATED