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| **4.7.1** | **SALARY PACKAGING POLICY** |

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| **Policy context:** This policy relates to CBCHS policy and procedure manual Section 4 Employment Matters |
| Legislation or other requirements | Fringe Benefits Tax Assessment Act 1986 |
| Contractual Obligations | Salary Options License Agreement |

**POLICY STATEMENT**

1. CBCHS offers salary packaging to employees in order to remain competitive with market remuneration rates, and in support of our aim to be an employer of choice.
2. CBCHS will utilise its status as a Health Promotion Charity to provide tax effective salary packaging options for its eligible employees. In the event that the ATO revokes the Health Promotion Charity or FBT status of CBCHS, then the salary packaging arrangements will cease.
3. CBCHS outsources the administration of salary packaging to an external provider, SalaryPackagingPLUS (formerly Salary Options). SalaryPackagingPLUS manages all processing of the packaging program: application, payments, reporting, changes, queries, complaints, and termination. Therefore, all communication and correspondence should be between the employee and SalaryPackagingPLUS.

Contact details and a comprehensive explanation of the salary packaging program as provided by Salary Options, including its benefits, allowable items, advice, procedures, forms etc, and is available as follows:

*SalaryPackagingPLUS*

Customer Service - ph 1300408046

Email enquiries@salarypackagingplus.com.au

Website - including Forms and Fact Sheets <http://www.salarypackagingplus.com.au/>

1. CBCHS does not offer a choice of salary packaging providers and no pre-tax deductions will be made from an employee’s remuneration outside of the SalaryPackagingPLUS arrangement, with the exception of superannuation contributions (see below).
2. Participation in salary packaging is voluntary.
3. Eligibility: all permanent and term contract employees, full or part-time, are eligible to apply for salary packaging. Casual employees are not eligible.
4. Any costs associated with salary packaging are to be borne by the employee and not CBCHS. There are conditions associated with salary packaging which need to be complied with. CBCHS does not provide financial advice or guidance with regard to salary packaging and accepts no responsibility for the advice or decisions enacted by an employee. Employees are encouraged to seek their own independent financial advice before considering salary packaging.
5. CBCHS is not liable for taxation or any other liabilities, judgements, penalties or outcomes suffered or incurred by the employees resulting from entering into a salary packaging arrangement with CBCHS. The employee consents to CBCHS, reclaiming from their entitlements via the payroll, any tax and/or penalty payable as a result of error or fraud by the employee.
6. If an employee is found to have made a false claim or misused the salary packaging arrangement with respect to any of the benefits offered, the employee’s participation in the arrangement will be terminated.

**DEFINITIONS**

*Salary Packaging -* commonly known as Salary Sacrifice, is an arrangement between an employee and their employer where the employee agrees to forego a portion of their income for ‘other benefits' offered by the employer. This portion of salary is ‘sacrificed’ in return for other benefits, such as payment of the employee’s mortgage, rent or school fees. The salary packaging benefit is paid in pre-tax dollars, reducing the employee’s taxable income and increasing their take-home pay.

**DOCUMENTATION**

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| **Documents related to this policy** |
| Related policies/procedures |  |
| Forms, record keeping or other organisational documents | SalaryPackagingPLUS - Salary Packaging Application Form  |

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| **Reviewing and approving this policy** |
| **Frequency** | **Person responsible** | **Approval** |
| Every 3 years. | Chief Financial Officer | Management Executive Committee |

**INDEXING**

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| **Policy review and version tracking** |
| **Review** | **Date Approved** | **Approved by** | **Next Review Due** |
| 1 | July 2013 | Management Executive Committee | November 2014 |
| 2 | April 2014  | Management Executive Committee | March 2017 |
| 3 | February 2015 | Management Executive Committee | February 2018 |
| 4 | February 2018 | Management Executive Committee | February 2021 |
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