

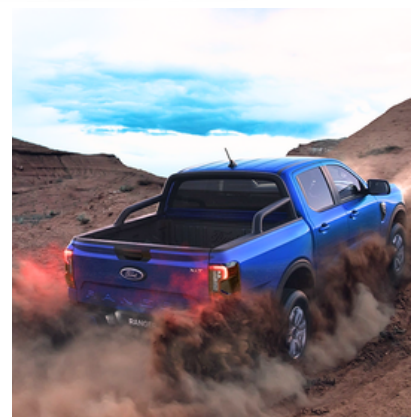


## Novated Leasing

# Introducing AWCI MEMBERS to Novated Leasing

## WHAT IS A NOVATED LEASE?

- A novated lease is a salary packaging option where an employee leases a vehicle forming a three-way agreement between the employee, employer and financier.
- Financial obligations are transferred to the employer who makes the required payments direct from the employees salary into their novated lease account each paycycle.
- These payments cover payments for the leased vehicle including: lease payments, fuel, registration, insurance, servicing and maintenance and tyres.
- The employee can sit back and relax as their vehicle lease payments are made direct by Statewide to the financier. Other costs can either be paid direct from the novated lease account where applicable or the employee can pay and submit receipts for reimbursement.



## CAN I ONLY LEASE A WORK VEHICLE?

No! A novated lease can be used 100% for private use.

That means that you can use this employee benefit for the car of your dreams!

This also means that if your employer doesn't offer novated leasing but your partners employer does, your partner may be able to lease a vehicle that you can use.

## HOW DOES A NOVATED LEASE REDUCE COSTS?

A novated lease has multiple financial benefits for employees, including:

- **Tax Savings:** Novated lease payments made by the employer to the novated lease account are made from pre-tax salary or a combination of pre and post-tax salary. The pre-tax salary deductions reduce the employee's taxable income, potentially lowering the tax deducted from their salary. This can result in significant tax savings depending on the employee's marginal tax rate and Medicare levy.
- **GST Savings on Purchase Price:** GST is not financed on a new vehicle through a novated lease – instantly saving you up to 10% (up to the claimable limit of \$6,334 [FY2024-25]).
- **GST Savings on Running Expenses:** GST paid for expenses like fuel, insurance and maintenance will be claimed back from your employer by Statewide and credited to your novated lease account.
- **Budgeting:** Get rid of bill shock! Novated leasing bundles all car-related costs - such as fuel, insurance, registration, and maintenance - into one easy payment. Novated leasing takes care of the budgeting for you.

📞 1300 76 1117

✉ info@statewide.net.au

🌐 www.statewide.au



## AM I ELIGIBLE FOR A NOVATED LEASE?

### Small Businesses:

Small businesses can provide novated leases to employees as long as they are an ABN listed Company or Trust and provide PAYG pay advices to employees.

### Employees:

Most employees are eligible for novated leasing if their company agrees to provide the benefit.

We recommend that employees have worked with their current employer for a minimum of 6 months in either a permanent or part-time.

Final approval for a novated lease lies with the financier based on your individual circumstances.

## WHAT TYPE OF CAR CAN I LEASE?

There are few limitations to the type of car you can choose.

Vehicles can be new, secondhand or you can even lease your vehicle back to yourself for some extra cash!

You can lease the vehicle for 1 - 5 years.

The vehicle must cost a minimum \$5,000 and must not be older than 15 years (at end of lease term).

The vehicle must have a carrying capacity under one tonne and cannot be designed to carry nine or more passengers.

## WANT TO KNOW MORE?

CONTACT **STATEWIDE** TODAY FOR  
MORE INFORMATION AND GREAT  
SERVICE



 **1300 76 1117**

 **info@statewide.net.au**

 **www.statewide.au**

