



Intelligent Car Ownership

Salary packaging your car

A mini guide to massive savings



If you read this guide
and don't want to package your car...

...you should read it again.

“Thanks to Autopia I’ve paid for a new fireplace, a new kitchen, I’ve packaged two cars, and I couldn’t be happier.”

Brad Freer | AJ Lucas
Newcastle, NSW



Call: 1800 288 674

for a free consultation to find out how much you can be saving now.

Or check out our website for more details:
autopia.com.au

Autopia ↑

Intelligent Car Ownership



→ Salary packaging a car with a novated lease is simply the cheapest, most tax-effective way of owning and running a car.

Even if you already own your car outright, we can help save you money.

As an indication of how much, the difference between salary packaging your car with Autopia and paying for the same car with personal finance, is the equivalent of a **gross pay rise of over \$10,000***

That’s how much the average Autopian driver received last FBT year, thanks to our intelligent approach to car ownership.

Everybody’s situation is different, and your employer has chosen Autopia to help you access the greatest amount of tax savings possible.

What you do with the money then, is up to you.

Some of our drivers choose to put the extra funds towards their mortgage, some take the family on a holiday, and some trade up into a better car.

The basics:

The ATO allows you to pay for your car, out of your salary, before income tax is applied.

By doing this, you reduce your taxable income, and your income tax.

- ▶ Finance
- ▶ Insurance
- ▶ Registration & CTP
- ▶ Fuel
- ▶ Servicing
- ▶ Tyres
- ▶ General maintenance
- ▶ Roadside assistance
- ▶ Accident management

Salary packaging enables your employer to pay for all of these costs on your behalf, and because they’re a registered business, you don’t get charged GST either.

Net result, cheapest way to own a car.

* Average Autopia driver’s gross pay rise based on FBT1112 - \$10,065.16

→ Frequently asked questions:

Q Can I save money on my existing car?

Yes you can - even if you already own your car outright. We'll buy your car, and then lease it back to you, allowing you access to the tax advantages, and delivering a large chunk of cash into your bank account.

"I bought my Subaru a few years ago with cash. Since then I have watched the value drop each year, it's been like throwing money down the toilet! **Autopia bought the car from me for \$25,000** and I can now invest that money. With all the tax benefits, **I'm pretty much getting that money for free.**"

Adam T. Emerging Growth Capital | Epping, NSW

Q Do I have to use the car for work to access the benefits?

No you don't. Even if you have absolutely no business use for your car, Autopia can help you save thousands every year.

"Autopia answered all of my questions and **made it clear how I could benefit** from salary packaging my new vehicle. I didn't think it was possible because **I don't use my car for work purposes** or do a lot of km's per year."

Vikki B. M2 Telecommunications | Melbourne, VIC

Q Can't I get a better tax deduction by claiming my car allowance in my tax return?

No, you can't. In 99.9% of cases, novated leasing delivers a greater amount of tax savings than any other vehicle ownership option. And, there's no administration work to deal with - that's our job.

"I get a car allowance as part of my salary. It was a lot of messing around at the end of the tax year trying to keep track of all my expenses, not to mention having to maintain a logbook. **Autopia got me a brand new Rav4 and it's not costing me any more to run than my Astra which was only half the value.** I'm getting a much better tax deduction without any of the hassles I used to have."

Trudi M. AV Jennings | Gold Coast, QLD

Q Do I have to be on the top marginal tax rate to benefit?

No. It doesn't matter how much you're earning, you can be on virtually any tax bracket and still walk away with more money in your pocket.

"I wasn't sure if I could get a tax benefit since I am not in the top tax bracket, but with Autopia **I'm driving a brand new Crewman and saving \$9,493 a year.** Without Autopia I would still be driving an 18 year old Magna."

John R. Brookes Brothers | Coromandel Valley, SA

Q I've been told it's cheaper to pay cash or redraw from my home loan, is that right?

Wrong. Cars aren't assets, they're liabilities that depreciate quickly, so you're better off leasing, and saving your money for something else. And, contrary to popular belief, your mortgage is not always the cheapest way of accessing funds.

"We originally paid for my wife's Astra using a line of credit on our home loan. Thanks to the restructuring Autopia was able to do, **we will save \$8,767 over the next two years.**"

Ilya F. Choice Hotels Australasia | Caulfield, VIC

Q I only drive about 10,000 kilometres a year, can I still benefit?

Yes you can. It doesn't matter how many kilometers you drive.

"We wanted to get a Peugeot 206 as a second car. It was only going to travel 10,000 (private) km per annum. Autopia was able to **save me \$3,221 each year, source the car at a discount and have it delivered to me all in just 24 hours.**"

Jairus A. CSi - The Remuneration Specialists | Chatswood, NSW

Q Can I package more than one car?

No problem. You can package as many cars as you like, for whoever you like.

"We used to have both our cars on Hire Purchase with the bank. Autopia arranged for our Nissan X-Trail and Peugeot 307 to be packaged into my salary. **We are saving heaps AND I get all the tax benefits up front.** I'm going to package a car for my mother as well."

Phil V. BGI Benchmark | Melbourne, VIC



→ Driver AutoPackage program

Autopia's Driver AutoPackage breaks the lifecycle of car ownership into five steps. This covers the costs of getting you into the car, running the car and getting you out of the car. And, as we do most of the work for you, it's easy.



1. Vehicle, finance and tax strategy

We help you decide on what car best suits your needs, and we'll look at the ongoing costs using our proprietary Total-Lifetime-Cost™ system. This helps you assess the real cost of financing and running the car, as opposed to just looking at the purchase price.

Next we look at finance, and devise the best tax strategy for your particular circumstances. You'll be able to access a quote live onscreen through our secure online portal.

2. The deal

Unless you're keeping your existing vehicle, this is where we source your car. We'll deal with the dealers, and negotiate on your behalf. Our purchasing power generally ensures that we'll receive a better price than you'd be able to achieve on your own.

3. Payment and delivery

Deal done, we'll now organise the funds and pay for the vehicle. Just let us know if you'd like to pick it up yourself, or have it delivered to your workplace.

4. Management

All administration and paperwork is taken off your hands. You're covered by our low flat-rate insurance policy, roadside assistance and accident management program, so there's total peace-of-mind.

Servicing and tyres are discounted to our low fleet rates, you'll receive a fuel card(s), and a monthly report keeping you up to date with it all.

5. Disposal

At the end of the lease, we'll help you decide whether to replace or refinance your car. Depending on what car you're driving, you may be able to buy out the lease and sell it for a profit, tax free.

→ Vehicle and finance comparison

Salary:	\$ 65,000 inc super	\$ 80,000 inc super	\$ 120,000 inc super
Car allowance:	\$ 0	\$ 18,000 inc super	\$ 0
Vehicle:	► Hyundai i30	► Mazda 6	► Toyota Landcruiser Prado
On road cost:	\$ 29,058	\$ 38,487	\$ 64,276
Annual km:	12,000kms p/a	25,000kms p/a	30,000kms p/a
Usage:	No business use	85% business use	No business use
Term:	3 years	3 years	3 years

In order to compare two different finance methods, we first need to figure out the running costs. This is part of the first step in our AutoPackage program.

Annual running costs:

Finance payments	\$ 6,963	\$ 9,229	\$ 15,490
Fuel	\$ 1,903	\$ 4,312	\$ 5,247
Servicing	\$ 660	\$ 1,467	\$ 1,467
Tyres	\$ 367	\$ 513	\$ 1,173
Registration & CTP	\$ 483	\$ 483	\$ 483
Comprehensive Insurance	\$ 1,006	\$ 1,202	\$ 1,495
Total gross cost	\$ 11,382 p/a	\$ 17,206 p/a	\$ 25,355 p/a

This is the total cost of running these vehicles for a year. The costs don't change, but how you cover them can make a massive difference.

Payroll treatment	Personal Finance	Auto Package	Personal Finance	Auto Package	Personal Finance	Auto Package
Gross salary	\$ 65,000	\$ 65,000	\$ 98,000	\$ 98,000	\$ 120,000	\$ 120,000
Salary sacrifice	\$ 0	-\$ 5,318	\$ 0	-\$ 13,296	\$ 0	-\$ 12,135
Superannuation	-\$ 5,367	-\$ 5,367	-\$ 8,092	-\$ 8,092	-\$ 9,908	-\$ 9,908
Taxable income	\$ 59,633	\$ 54,315	\$ 89,908	\$ 76,612	\$ 110,092	\$ 97,957
Income tax	-\$ 11,822	-\$ 10,014	-\$ 22,562	-\$ 17,595	-\$ 30,332	-\$ 25,660
Employee contribution	\$ 0	-\$ 5,533	\$ 0	-\$ 2,581	\$ 0	-\$ 12,007
Take home pay	\$ 47,811	\$ 38,768	\$ 67,346	\$ 56,436	\$ 79,760	\$ 60,290
Running costs	-\$ 11,382	\$ 0	-\$ 17,206	\$ 0	-\$ 25,355	\$ 0
Disposable income	\$ 36,429	\$ 38,768	\$ 50,140	\$ 56,436	\$ 54,405	\$ 60,290

As you can see, by sacrificing part of your salary you reduce your taxable income, and your income tax. By paying for a proportion of the costs after tax, through employee contributions you don't even have to pay FBT.

Although your take home pay has reduced, you've already paid for your car, so you're actually better off to the tune of \$2,339 a year on the Hyundai, \$6,296 on the Mazda and \$5,885 a year on the Toyota.

→ Massive Savings:	► Hyundai i30	► Mazda 6	► Toyota Landcruiser
	Annual Savings:\$ 2,339 3 Year savings: \$ 7,017	Annual Savings:\$ 6,296 3 Year savings: \$18,888	Annual Savings:\$ 5,885 3 Year savings: \$17,655

*This result demonstrates a worst case scenario as it utilises a 20% FBT statutory rate. Figures accurate at time of print: 29-11-12



→ Salary packaging with Autopia

- ▶ Save GST on purchase price and all running costs
- ▶ Fleet discounts on insurance, servicing and repairs
- ▶ Independent expert advice on vehicle selection
- ▶ Most amount of tax benefit legally possible
- ▶ \$10,000 pay rise*
- ▶ No business use required
- ▶ No Kilometre targets
- ▶ Package as many cars as you like
- ▶ The intelligent approach to car ownership
- ▶ Read again if not convinced

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“Having a **single point of contact** & someone directly responsible for providing service is fantastic.

Ethan has provided **excellent service** to date & has gone well out of his way to accommodate my circumstances.

It is such a refreshing change to be **helped by someone who ‘thinks’** rather than just mindlessly completes forms.

Huge thanks to Ethan! The website for electronic document completion is also great.”

Sarah Leal
Runge Limited

