

## **12.45C Salary Packaging - Laptops**

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### **Overview**

The salary sacrifice scheme allows staff to purchase a laptop computer and related equipment, on a “before tax” basis.

To enable this, the University purchases the equipment on the staff member’s behalf, then leases the equipment back to the staff member. At the end of the lease the staff member takes ownership of the equipment.

### **Policy**

- 12.45C.01** Salary packaging of laptops is available to all staff that have a contract of employment greater than 12 months.
- 12.45C.02** In addition to a laptop computer, a staff member may salary package the cost of a mouse, keyboard and business-related software.
- 12.45C.03** These items will be FBT exempt as long as they are included in the package at the time of the agreement being signed. Any subsequent equipment cannot be added to the agreement after the initial agreement commences.
- 12.45C.04** All equipment must be purchased from the University IT Shop.
- 12.45C.05** A salary packaging lease arrangement can be for a term of either one year or two years. Only one laptop can be packaged each year and the maximum repayment period from the commencement of the agreement is two years.
- 12.45C.06** The payment schedule for each lease arrangement is calculated to fully extinguish the cost of the equipment over the period of the lease, so that the staff member can take ownership of the equipment at the end of the lease period.
- 12.45C.07** It is the responsibility of the staff member to insure the laptop during the period of the agreement as the University’s insurance will not cover salary packaged equipment.
- 12.45C.08** On termination of employment the staff member will be required to payout the remaining balance of the lease and take ownership of the equipment. There will be no penalty imposed for paying the lease out.
- 12.45C.09** The staff member may elect to pay the lease out at any stage of the agreement with no penalty imposed.

*(N.B. As set out in 12.45C.08/09, by not going through the salary system, there will be no further tax advantage to the staff member.)*

**12.45C.10** The University will charge:

- A 2% administration fee; and
- An interest rate component determined by the Financial Services Directorate.

These fees and charges are detailed in the payment schedule for each lease arrangement and are incorporated into the lease fee for all salary packaged laptops and equipment.

**12.45C.11** A staff member wishing to salary package a laptop computer (and equipment) must first obtain a quote for the equipment from the UNE IT Shop. This quote is then to be supplied to the Salary Packaging Officer.

**12.45C.12** The Salary Packaging Officer, in conjunction with the staff member, will then complete a Salary Packaging Agreement – Laptops (Form **12.45c**).

**12.45C.13** The Agreement must be signed by the staff member before the Salary Packaging Officer can authorise the order of the equipment.

**12.45C.14** Once the order has been received and filled, the IT Shop will advise the staff member and the Salary Packaging Officer that the equipment has arrived.

**12.45C.15** The Salary Packaging Officer will then arrange for deductions to commence from the staff member's salary for the period specified in the Agreement.

## Further Information

Superannuation/Salary Packaging Officer, ext. 2511

*Approved Vice-Chancellor:  
RMO Document No.:  
Policy Review Date:  
Responsibility for review*

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