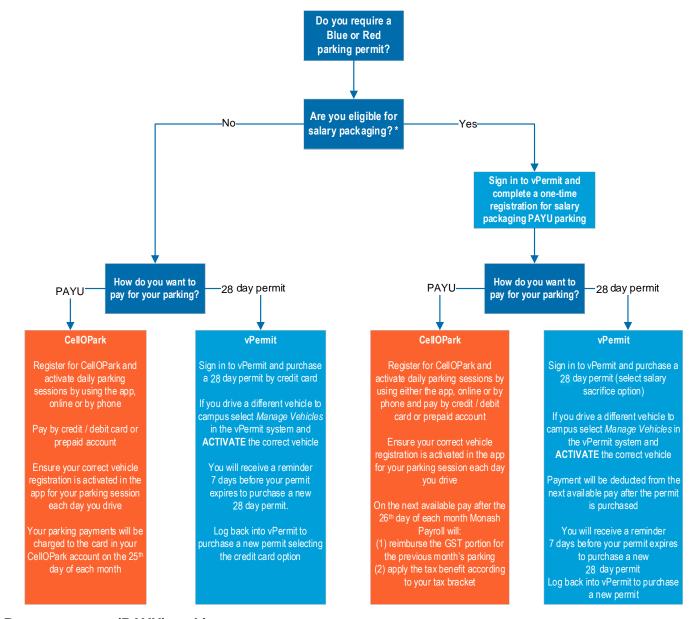
## SALARY PACKAGING OF PAYU PARKING FAQS

The following diagram outlines the parking options for staff



## Pay-as-you-use (PAYU) parking

Use the CellOPark app, website or phone line to manage and pay for your parking.

You only need to pay on the days that you come to campus, and you can choose between Blue or Red parking each day.

Salary packaging is available for PAYU parking – opt in via vPermit, but manage your vehicles and parking in CellOPark.

#### 28 day permit parking

Use the vPermit system to manage and pay for your parking in 28 day blocks – this can be either by salary sacrifice (eligible staff only) or credit card

You only need to update your registration details in the vPermit system when you drive a different car onto campus.

A 28 day permit cannot be cancelled once started and there are no refunds for 28 day permits.

#### \* Salary packaging eligibility

Eligible staff must register to salary package their parking via the vPermit system prior to parking. Parking can be with PAYU (managed in CellOPark) or 28 day permit (managed in vPermit – make sure you select the salary sacrifice option).

No administration fee is charged for salary packaging of parking.

In order to salary package your PAYU parking, you will need to do the following:

**Step 1:** Register to salary package parking in the <u>vPermit system</u>, and

Step 2: Set up your CellOPark account in the CellOPark parking system \*

If you intend to use the PAYU system at a later stage to pay for your parking (eg if going on annual leave and you do not wish to purchase another 30-day permit until your return from leave) you need to complete **BOTH** steps 1 and 2 above in order to salary package your PAYU parking.

#### **PRINCIPLES**

- Salary packaging PAYU parking costs will be set up to reimburse the GST expense on the parking cost you paid to CellOPark on a monthly basis in arrears
- You will pay your monthly CellOPark account for PAYU parking costs as normal in the manner set up with CellOPark
- CellOPark will forward details of the PAYU payments to Monash and, if you have elected to salary
  package your parking, the GST expense for the previous month's parking will be reimbursed
  through payroll in the next available pay period.
  - Payroll will also apply the tax benefit according to your tax bracket in the next available pay period.
- 28-Day parking permits are available through the vPermit system. If you purchase a 28-Day permit, this can either be paid by credit card or by salary sacrifice. For salary sacrifice the ex GST cost will be deducted from your salary in the next available pay period.

## 1. Q. How do I register to salary package my parking?

A. You can register for salary packaging through the <u>vPermit system</u>.

#### To register:

- 1) in <u>my.monash</u>, click the **Transport & parking tile** then select **Buy / manage parking permits**
- 2) in the vPermit system, click Apply for a vPermit
- 3) in the Campus field, select your campus
- 4) in the **Please select a permit** field, select **Salary package parking registration** You will see a pop-up confirmation screen
- 5) To confirm, click Activate.

An email confirming your registration will be sent to your Monash University email address.

Read the step-by-step guide which can be accessed from the PAYU parking webpage.

#### 2. Q. How does salary packaging for PAYU parking work?

A. With PAYU parking, salary sacrifice (which involves deductions from your fortnightly pay) won't be available. Instead, you will be required to pay for your parking upfront and then you'll be reimbursed for the GST and the salary tax benefit (this is called salary packaging).

#### How it works

- 1) You will need to download the CellOPark app and set up your account, including your credit, debit, or prepaid card details. Refer to the CellOPark Guide which is accessed from the <a href="PAYU parking">PAYU parking</a> webpage. This explains how to register on the app and start and stop your parking sessions.
  - You can also register online at <a href="www.cellopark.com.au">www.cellopark.com.au</a> or register by phone: call (03) 9111 1799 or 1300CELLOPARK
- 2) After the 24th of each month, any parking fees you have accrued in the previous month will be charged to the credit, debit or prepaid card you registered on your CellOPark account

<sup>\*</sup> Note: Step 2 is not a requirement if you purchase a 30 day permit each month.

- 3) On the next available pay period after the 26th of each month, Payroll will:
  - reimburse the GST for the previous month's parking
  - apply the tax benefit according to your tax bracket.

## 3. Q. Can you give an example of how the salary packaging for PAYU Parking works?

John is a staff member that has registered for Salary Packaging his parking. John's annual income is \$78,000. John parked on campus on the following dates and incurred the fees below:

Date	Location	Fee (incl.	GST
		GST)	component
30/03/2021	Clayton Blue	\$2.32	\$0.21
31/03/2021	Clayton Red	\$4.30	\$0.39
7/04/2021	Clayton Blue	\$2.32	\$0.21
13/04/2021	Clayton Blue	\$2.32	\$0.21
14/04/2021	Caulfield Red	\$4.30	\$0.39
21/04/2021	Clayton Blue	\$2.32	\$0.21
23/04/2021	Clayton Blue	\$2.32	\$0.21
	TOTAL FEE PAID	\$20.20	\$1.84
			GST

## (1) Paying for PAYU Parking

The monthly invoice will include all parking fees incurred between the 25<sup>th</sup> of the 1<sup>st</sup> month and the 24<sup>th</sup> of the second month (ie 25<sup>th</sup> March to 24<sup>th</sup> April).

John will be charged the total amount of \$20.20 to his registered credit / debit or pre-paid card on the 25<sup>th</sup> April in his CellOPark account.

## (2) Tax Benefit

The process Monash HR follow to apply the tax benefit for salary packaging is the same for parking as other salary packaged items. The actual tax benefit is not itemised on your payslip but is applied to your annual income to reduce the tax paid. The associated tax rate for this income bracket is outlined in the table below, with the tax benefit applied to the pre-GST amount.

Income range	\$45,000 - \$120,000	\$120,001 - \$180,000	\$180,001+
Marginal Tax	32.5%	37%	45%
Rate			
Medicare	2%	2%	2%

If John's taxable income for a fortnight pay run is \$3,000, the tax on this amount is \$670.

Because John has a pre-GST parking fee of \$18.36 (ie \$20.20-\$1.84), his taxable income for the period is therefore reduced to \$2,981.64 due to the parking fee being deducted from his taxable income:

\$3000 -\$18.36=\$2981.64. This in turn reduces his actual tax paid to \$664. John therefore has a saving of \$6 by salary packaging his parking (note tax is only deducted in whole dollars).

While tax is calculated fortnightly, the actual tax benefit is realised at the end of the financial year when John's final taxable income is known.

This is automatically applied by Monash Payroll for any parking cost in the previous month, once an eligible staff member registers for salary packaging their parking (refer Q.1 above for this process).

## 4. Q. What is the CellOPark billing period?

A. CellOPark use a billing period of 25<sup>th</sup> to the 24<sup>th</sup> of each month.

## 5. Q. Is there a fee for salary packaging my parking?

A. You don't pay an administration fee to salary package your parking. You simply need to register in the <u>vPermit system</u> to have your parking salary packaged. You will then pay for your parking using the PAYU process and the CellOPark app.

Only eligible staff can salary package parking.

## 6. Q. Am I eligible for salary packaging my parking?

A. You're eligible to salary package your parking if you are a continuing or fixed-term member of staff at an Australian campus (you are not eligible if you're a casual or sessional employee).

For more information, see the Monash Salary Packaging Procedure (pdf, 01.88 mb).

## 7. Q. What happens if salary packaging my parking does not work?

A. If for any reason your reimbursement of the GST for parking in the previous month and the associated tax benefit are not able to be processed in the next available pay following the end of the CellOPark billing cycle, there is no facility to package that month's expenditure again.

The salary deduction for the 28-Day permit or GST reimbursement for the PAYU process is automated and does not allow for adjustments to be made.

#### Reasons this could occur

- Your request to salary package parking through the vPermit system was not either actioned prior to the 24<sup>th</sup> of the month or you have not been successfully approved by HR
- Have insufficient salary being paid
- You have now ceased employment from Monash University.

## 8. Q. If I salary package parking do I still need to use the CellOPark app?

A. If you are using PAYU parking and only paying for parking on the days you come to campus, you will need to use the CellOPark app.

Salary packaging is separate to CellOPark and is not a form of payment for PAYU parking. Employees must pay for their parking using the CellOPark app and the GST is reimbursed post payment.

Refer to the <u>CellOPark Guide</u> which explains how to register on the app and start and stop your PAYU parking sessions.

B. You can purchase a 28-Day permit through the vPermit system at any time. You can pay for this by salary sacrifice and will not need to use the CellOPark app. See the <a href="PAYU webpage">PAYU webpage</a> for information.

## 9. Q. Can I buy a permit instead of using PAYU every day?

A. You can purchase a 28-Day permit through the vPermit system at any time. You can elect to pay for this either by credit card or by salary sacrifice. If you purchase a 28-Day permit you will need to ensure you update your vehicle registration details in the vPermit system if you change vehicles when parking on campus. Instructions on how to purchase a 28-Day permit are available on the <a href="PAYU webpage">PAYU webpage</a>.

There will be no refunds for 28-day permits. Therefore, once you have purchased a 28-Day permit this cannot be cancelled.

## 10. Q. Can I stop salary packaging my parking?

A. Yes. You can stop salary packaging your parking by cancelling your salary packaging registration permit in vPermit. HR will apply this cancellation in the month post the cancellation request.

You must remember to create another request to salary package parking in vPermit if you wish to recommence at a later stage.

## 11. Q. Is salary packaging parking compulsory?

A. No. Salary packaging is not compulsory. It is the employee's decision whether they wish to salary package or not. If you are eligible to salary package parking and decide to do this, you do need to register to salary package your parking through the vPermit system.

# 12. Q. Can I have my current month's parking fees deducted from my final pay (if I'm resigning from the University)?

A. You can only have your parking fee processed as a salary packaged amount if you've registered to salary packaged parking and you have sufficient ordinary earnings (excluding termination payments) in the next available pay period following the end of month billing cycle