



alliance
LEASING

Who are we?

Alliance Leasing is a 100% Australian owned and operated financial services company. We provide novated leasing and a range of equipment finance solutions for employers and employees Australia wide.

We have been operating since 2006 which gives us the experience, knowledge and confidence to provide your employees with a financially beneficial and compliant service.

Our low fee structure and high level of customer service makes us one of the most competitive providers in the industry.



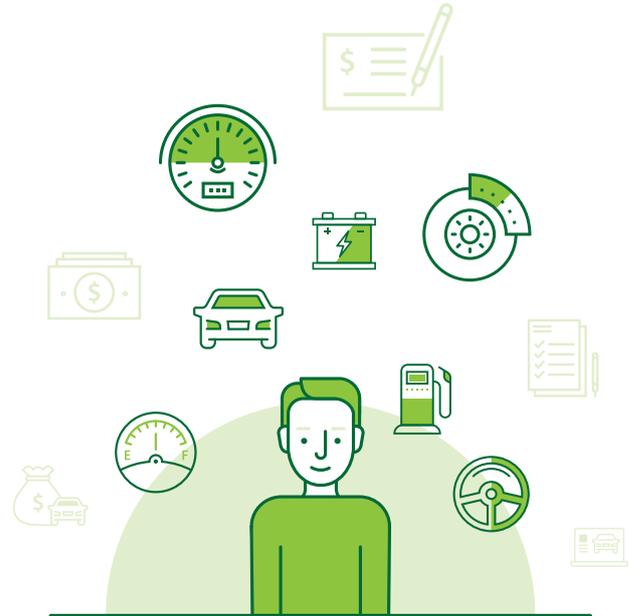
What is a novated lease?

Novated leasing is considered one of the best employee benefits an organisation can offer. It can assist with staff attraction and retention strategies and also increase your bottom line through payroll tax savings.

After all, employees love additional benefits. By offering novated leasing through Alliance Leasing you can provide employees with a financial incentive without having to increase salary or provide a car allowance.

What we do is at zero cost to you as an employer. We manage the whole process from start to finish. All you have to worry about is passing our details on when a staff member wants to salary package a car!

We structure the lease in such a way that removes all Fringe Benefit Tax (FBT) liabilities to an employer. This is achieved by using the Employee Contribution Method (ECM) which consists of regular post-tax contributions from the employee throughout the term of their lease.



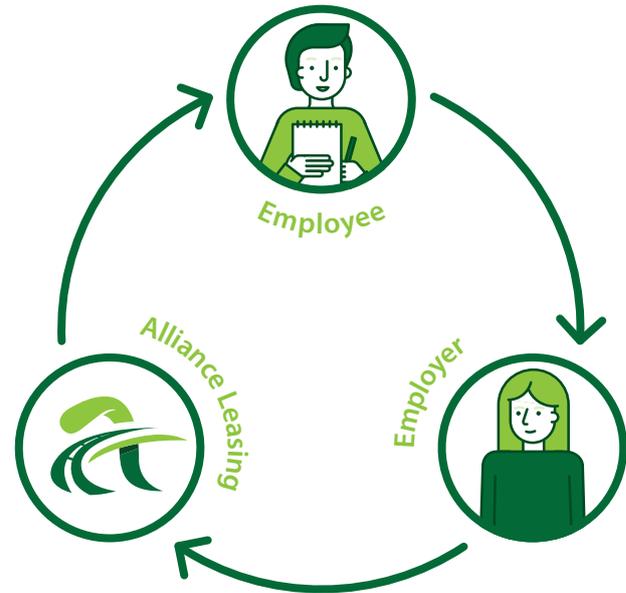
How does novated leasing work?

A novated lease is a three way agreement between the employee, employer and Alliance Leasing.

Traditionally, an employee earns a salary, pays income tax and then pays for all the costs of a car with their remaining money, also known as post-tax income.

A novated lease enables an employee to pay for all the costs of a car with both pre and post-tax income. Using pre tax income means they are using money that has not been taxed which results in significant savings for an individual.

Alliance leasing can prepare a tailored package to suit the needs of any individual within your workplace. We then liaise with your payroll staff to set up the pre and post tax deductions from their salary. This is a quick and easy process. All administrative work and salary packaging is taken care of by Alliance Leasing. There is zero cost to the employer, zero financial liability and zero FBT liability.



The Process

1. Getting your employees started

We encourage employees to call us directly on **1300 225 582**. Our experienced consultants can provide all the relevant information and prepare a personalised quote for each individual. All calls during business hours are answered within three rings, guaranteed. There is also the option to enquire through our website allianceleasing.com.au and utilise our helpful online lease calculator or live chat.

Alternatively, we also offer face to face consultations and group presentations to suit your workplace and schedule.

3. Finance

When an employee is ready to proceed with a novated lease, we then arrange finance approval within a matter of hours through our market leading financial institutions.

The next step is to source their chosen car. During this process we offer a complimentary procurement service which includes fleet discounts on all makes and models. Alternatively an employee can independently source their car as desired. A novated lease can be applied to any new or used vehicle on the basis that it is no longer than 12 years old at the end of the lease term.

2. Calculate the savings

Our consultants will assist employees by preparing a quote based on their chosen car and personal circumstances.

The quote will demonstrate the overall costs, benefits and tax savings made through the lease. Payroll information will also be included in the quote as a helpful reference.

Another way to source initial information is to use our online calculator: allianceleasing.com.au

4. Drive away

When the car is ready, final paperwork is completed and we arrange a time with your employee to drive away their fully maintained lease with complete peace of mind!

We will liaise with your payroll staff to set up the salary deductions and arrange billing based on your existing schedule and process.

Employer benefits

- Increased employee retention.
- No requirement to purchase or maintain fleet vehicles.
- Reduce payroll tax liabilities.
- Provide employees with increased financial security without the need to increase salaries.
- The vehicle is in the employee's name and not a liability of the employer.
- Our in-house solution ensures that both you and your employees have only one point of contact for all leasing activities.

Employee benefits

- Choose your own vehicle, no deposit to pay.
- No GST on the purchase price and running costs of your car.
- Fleet discounts on purchase price, services and fuel.
- Vehicle can be used for 100% private use.
- All running costs are budgeted and packaged into one simple ongoing payment.
- Part of the running costs of your car and lease repayments are taken out of your income before it is taxed—ultimately reducing the amount of income tax you have to pay.



How do I manage Fringe Benefits Tax?

FBT is a tax based upon the value of the benefit, in this case a novated leased vehicle. Using the Statutory Formula with the employee contribution method (ECM) the FBT liability on a novated lease vehicle is determined by the vehicle's FBT Base Value.

The FBT Base Value is a vehicle's drive away price including GST, less government charges such as registration, compulsory third party insurance and stamp duty.

Alliance Leasing will structure the lease in a way that removes the FBT liability to the employer, utilising ECM, also known as post-tax deductions.

At the end of the FBT Year, Alliance Leasing will provide a comprehensive FBT report to an employer to assist with their company FBT return.



What happens if the employee leaves?

If an employee leaves their place of employment, the lease goes with them. They can either re-novate the lease to their new employer or it simply becomes a finance only lease, similar to a personal loan.

Notice

If an employee is leaving an organisation Alliance Leasing are to be notified of their final pay day and finish date. Alliance Leasing will reconcile the employee's account and contact the employer's payroll area as well as the employee to coordinate the following actions:

- Reconcile the employees account and refund any surplus funds to payroll. Perform an FBT audit to ensure there is no additional FBT liability.
- If moving to a new employer Alliance Leasing will assist an employee to re-novate the lease to their new employer.



What happens at the end of the lease?

There are a number of options available to employees at the end of the lease:

- Sell or trade-in the car and lease a new one. Any surplus funds achieved from the sale are theirs to keep tax free.
- Refinance the residual amount and continue leasing the same car.
- Pay out the residual and own the car outright.

Will a novated lease suit everyone?

In general, an employee will see a benefit by leasing a vehicle via a novated lease arrangement versus purchasing the same vehicle through traditional financial methods such as a personal loan.

Any benefit is subject to personal circumstances and is impacted by salary, lease term, value of the motor vehicle and other financial commitments. Alliance Leasing advises that employees should independently verify the accuracy, currency, completeness and relevance of all leasing and salary packaging agreements for their own purposes and for their particular circumstances.

There are also regulatory implications that may impact an individual's decision. For example, employees of not for profit organisations may be subject to FBT free thresholds.



Sell or trade-in the vehicle and lease a brand new vehicle



Refinance the vehicle and continue with another novated lease



Payout the residual value and own the vehicle outright

Contact us

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