



**InsideEDGE**

Get the car you want, for less

## Welcome to InsideEDGE's Novated Lease program.

### REFERENCE GUIDE FOR HR/P&C PROFESSIONALS.

At InsideEDGE we understand HR/P&C can often be the first point of contact for novated lease questions, however you may not have a full understanding of the benefit, plus you'll want to avoid providing financial advice. That's what we're here for! We will happily answer any questions your employees have and help them achieve the maximum amount of tax savings possible.

In our experience there are a few frequently asked questions we have addressed below:

- **How does Novated Leasing work?**

- o Refer employee to InsideEDGE page on your intranet where they can review 'Benefits of Novated Leasing' and watch 2-minute introduction video. Provide contact details for InsideEDGE phone **1300 551 987**, or **iedge.com.au**.

- **What if I already have a novated lease that I want to bring across?**

- o InsideEDGE can work with your new employee to administer a 'Mid-Lease transfer' to your business, so they can continue to receive tax savings

- **What happens if I leave/finish employment?**

- o The driver has a choice of 3 options –

- 1.They may continue to pay lease repayments directly to the financier/bank
- 2.They can choose to transfer the lease to the new employer (Mid Lease transfer)
- 3.They can sell the vehicle and payout the remaining finance

- **What happens at the end of the lease?**

- o A Novated Lease Specialist will help explain the 3 options available to drivers

- 1.They can trade-in/sell the vehicle, pay the residual, and commence a new novated lease
- 2.They may like to do a novated lease on the residual amount only, so that they can continue to receive tax savings
- 3.The residual can be paid, and the vehicle will be owned by the employee

- **Do I need to keep a Logbook?**

- o In the event an employee has a high business use of their car there may be cause to implement the Operating Cost Method of calculation. In this case a 12-week logbook will need to be maintained by the employee and signed by the employer. This will only be required once throughout the term of the lease.



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#### Benefits of a novated lease to Employees:

- Under a novated lease, Payroll will make payments directly from employee's salary to InsideEDGE for the car and running costs
- Employees receive tax savings by making pre-tax payments for the car and running costs, plus they don't pay GST on the purchase price of car or running costs
- Innovative solutions – Availability of online education tools, Online Finance Application, the InsideEDGE Portal provides drivers with visibility of account balances & transactions
- Dedicated Novated Lease Specialist to help throughout the entire process from initial enquiry, sourcing new car at best price, online finance application, and right through to delivery of the new car
- Full transparency of vehicle pricing, residual amount and fees
- Convenience – vehicle repayments and ongoing running costs (fuel, tyres, insurance, registration, service & maintenance) all bundled into a regular amount eliminates unexpected expenses or lump-sum payments.