

# Fly-In Fly-Out Benefit







At SG Fleet, our goal is to make salary packaging easy – saving you time and money with exceptional customer service.

### What is the Fly-In Fly-out (FIFO) benefit?

The FIFO benefit is available to eligible employees who work in a remote area and are required to travel from their usual place of residence. This FIFO benefit enables you to salary package your airfares and pay using pre-tax dollars, which will also lower your taxable income and help you save on income tax.

Given your employer is registered for GST purposes, they will be able to claim the GST on your behalf and you will also save the GST amount on your flights.

### How it works

**1. Apply for the FIFO Benefit.**

Simply fill in the application form and SG Fleet will have this approved by your employer and provide you with a quote to demonstrate your savings.

**2. Accept your quote.**

We'll then set up your salary deductions and your employer will start deducting these from your salary from your next available pay.

**3. Enjoy the benefits.**

Our travel partner will send you the login details so you can start booking your FIFO travel, and SG Fleet will pay for these using the funds in your salary packaging account.

**Important note: This product has strict eligibility criteria that must be met in order to maintain your tax benefit. It's important that you adhere to these requirements to avoid having to pay extra tax.**

## How much can I save?

To understand how much you could potentially save, SG Fleet will provide you with a detailed quote. However, to demonstrate the savings of the FIFO benefit, we have created a comparison below using two employees, Mark and Jenny. They both earn \$120,000 a year and have an annual flight budget of \$13,000.

Impact on fortnightly salary	Mark Privately purchasing his travel (after-tax income) 	Jenny Paying for her travel using the FIFO benefit (pre-tax income) 
Annual Salary	\$120,000	\$120,000
Fortnightly Salary	\$4,615	\$4,615
Pre-Tax Deduction	\$0	\$455
PAYG	\$1,226	\$1,069
Fortnightly Net Income	\$3,390	\$3,092
Fortnightly Private Purchase	\$500	\$0
Net Fortnightly Salary Take-home	\$2,890	\$3,092
Fortnightly Benefit	\$0	\$202
Annual Benefit	\$0	\$5,259

**Jenny saves \$5,259 in income tax and GST per annum on \$13,000 of flights.**

FIFO salary package comparison based on 2020-2021 income tax rates. The examples given within this material are provided for your information and to illustrate scenarios. The results should not be taken as a substitute for independent professional advice. All reasonable care has been taken in preparing these materials; however, SG Fleet provides no warranties and makes no representation that the information provided is appropriate for your particular circumstances or indicates you should follow a particular course of action.

## Frequently Asked Questions

### 1. How do I apply for this benefit?

[Visit our website](#) and enquire online, or email [salarypackaging@sgfleet.com](mailto:salarypackaging@sgfleet.com). A salary packaging expert will contact you to confirm your eligibility and provide you with an application form.

### 2. What is a salary package account?

Put simply, it is an account where your pre-tax deductions are held and SG Fleet uses these funds to pay for your flights.

### 3. How are my salary deductions calculated?

At SG Fleet, we will calculate your estimated annual spend based on the information you provide us in your application form. Once we have your estimated annual spend we can then calculate your salary deductions based on your payroll frequency.

### 4. What happens if I don't have enough in my salary packaging account to book my flights?

Your account may start with a low or slightly negative balance. This is normal, and over time this balance should recover as more salary deductions are made. We know that flight prices can vary, so we will keep an eye on your account balance and contact you to re-assess your deductions should your account become too overdrawn.

### 5. How do I book my flights?

Once the application process is complete, and your salary deductions have commenced, you will be sent a welcome email from SG Fleet's travel partner. The email will contain instructions on how to use the online booking system, and you will be sent a website link and temporary password to log in. The first time you log in, you will be prompted to choose a new password, and from this point you can start booking flights as required. You should save the website link in your web browser favourites for future bookings.

**6. How far in advance do I need to book my flights?**

It is recommended that you book flights at least one week in advance (preferably 2-3 weeks), in order to achieve more reasonable flight prices.

**7. How many flights can I book in advance?**

It is SG Fleet policy that you can only have up to two return flight bookings at any one time. This is because SG Fleet needs to pay the cost of your flights to our travel partner upfront, and we need to ensure that your salary packaging account is never in a large deficit.

**8. Will I be sent my flight itinerary as usual?**

Yes, each time you complete a booking you will be sent a travel itinerary to your nominated email address, along with a detailed invoice.

**9. Can I change my flights?**

The normal rules apply for flight changes. Please refer to the airline website or read your itinerary for more information. If the fare type is able to be changed, you can change your flights online, or by calling SG Fleet's travel partner.

**10. Can I book my own flights and claim a reimbursement?**

No, you can only book your flights through SG Fleet's allocated Travel Partner.

**11. Can I book flights for anyone else under this arrangement?**

No, under this arrangement you can only receive the tax benefits for travel that is booked for you, for flights that are aligned to your work roster.

**12. Can I use this arrangement to pay for accommodation, hire cars or incidentals?**

No, you can only book for flights under this arrangement.

**13. Where can I travel to and from?**

You can only book flights directly between a departure airport in your usual home town and a nominated arrival airport near your workplace. You must return to the same airport you departed from. You can only book the most direct route possible, and whilst layovers can be accepted (<23 hours) the travel cannot include any voluntary overnight stays in accommodation between such travel.

**14. Can I get Frequent Flyer points on my membership when booking flights through the program?**

Yes, you can notify us of your Frequent Flyer details upon application and we will set them up on your traveller profile.

**15. Can I use Frequent Flyer points to pay for my flight(s) within this arrangement?**

No, you are unable to use Frequent Flyer points to pay for any part of the fares booked as part of this arrangement.

**16. Can I upgrade my flights under this arrangement with Frequent Flyer points?**

Only Economy flights (flexible, partially flexible and sale fares) can be booked under this arrangement, however you can choose to upgrade your seat with Frequent Flyer points once your original Economy booking has been made.

**17. What happens if I cease employment?**

When you cease employment, you should notify SG Fleet immediately and stop booking flights through this arrangement. Any booked flights or credits will be forfeited to SG Fleet's travel partner.

Call us on **03 8699 7070**  
or visit **sgfleet.com/au**

