SALARY PACKAGING OF PAYU PARKING FAQS

From 22 February 2021, continuing and fixed term employees will have the option to salary package their parking expense incurred through using the CellOPark Pay-as-you-use (PAYU) parking system.

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

**Step 1:** Register to salary package parking in the vPermit system, and
**Step 2:** Set up your CellOPark account in the CellOPark parking system *

* Note: Step 2 is not a requirement if you purchase a 30 day permit each month.

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.
- 30-Day parking permits are available through the vPermit system. If you purchase a 30-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 vPermit system.
      
      To register:
      1) in my.monash, 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 PAYU parking webpage. This explains how to register on the app and start and stop your parking sessions.
   
   You can also register online at www.cellopark.com.au 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.

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:

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Fee (incl. GST)</th>
<th>GST component</th>
</tr>
</thead>
<tbody>
<tr>
<td>30/03/2021</td>
<td>Clayton Blue</td>
<td>$2.32</td>
<td>$0.21</td>
</tr>
<tr>
<td>31/03/2021</td>
<td>Clayton Red</td>
<td>$4.30</td>
<td>$0.39</td>
</tr>
<tr>
<td>07/04/2021</td>
<td>Clayton Blue</td>
<td>$2.32</td>
<td>$0.21</td>
</tr>
<tr>
<td>13/04/2021</td>
<td>Clayton Blue</td>
<td>$2.32</td>
<td>$0.21</td>
</tr>
<tr>
<td>14/04/2021</td>
<td>Caulfield Red</td>
<td>$4.30</td>
<td>$0.39</td>
</tr>
<tr>
<td>21/04/2021</td>
<td>Clayton Blue</td>
<td>$2.32</td>
<td>$0.21</td>
</tr>
<tr>
<td>23/04/2021</td>
<td>Clayton Blue</td>
<td>$2.32</td>
<td>$0.21</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL FEE PAID</strong></td>
<td><strong>$20.20</strong></td>
<td><strong>$1.84</strong></td>
</tr>
</tbody>
</table>

(1) Paying for PAYU Parking

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

John will be charged the total amount of $20.20 to his registered credit / debit or pre-paid card on the 25th 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.

<table>
<thead>
<tr>
<th>Income range</th>
<th>$45,000 - $120,000</th>
<th>$120,001 - $180,000</th>
<th>$180,001+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marginal Tax Rate</td>
<td>32.5%</td>
<td>37%</td>
<td>45%</td>
</tr>
<tr>
<td>Medicare</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>

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 25th to the 24th 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 vPermit system 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 30-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 24th 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 CellOPark Guide which explains how to register on the app and start and stop your PAYU parking sessions.

   **B.** You can purchase a 30-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 PAYU webpage for information.

9. **Q.** Can I buy a permit instead of using PAYU every day?
   **A.** You can purchase a 30-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 30-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 30-Day permit are available on the PAYU webpage.
   
   There will be no refunds for 30-day permits. Therefore, once you have purchased a 30-Day permit this cannot be cancelled.
The following diagram outlines the parking options for staff

Do you require a Blue or Red parking permit?

Are you eligible for salary packaging? *

Sign in to vPermit and complete a one-time registration for salary packaging PAYU parking

How do you want to pay for your parking?

PAYU

30 day permit

PAYU

30 day permit

CellOPark

Register for CellOPark and activate daily parking sessions by using the app, online or by phone

Pay by credit / debit card or prepaid account

Ensure your correct vehicle registration is activated in the app for your parking session each day you drive

Your parking payments will be charged to the card in your CellOPark account on the 25th day of each month

vPermit

Sign in to vPermit and purchase a 30 day permit by credit card

If you drive a different vehicle to campus select Manage Vehicles in the vPermit system and ACTIVATE the correct vehicle

You will receive a reminder 7 days before your permit expires to purchase a new 30 day permit.

Log back into vPermit to purchase a new permit selecting the credit card option

CellOPark

Register for CellOPark and activate daily parking sessions by using either the app, online or by phone and pay by credit / debit card or prepaid account

Ensure your correct vehicle registration is activated in the app for your parking session each day you drive

On the next available pay after the 26th day of each month Monash Payroll will:

(1) reimburse the GST portion for the previous month’s parking

(2) apply the tax benefit according to your tax bracket

vPermit

Sign in to vPermit and purchase a 30 day permit (select salary sacrifice option)

If you drive a different vehicle to campus select Manage Vehicles in the vPermit system and ACTIVATE the correct vehicle

Payment will be deducted from the next available pay after the permit is purchased

You will receive a reminder 7 days before your permit expires to purchase a new 30 day permit

Log back into vPermit to purchase a new permit

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.

30 day permit parking

Use the vPermit system to manage and pay for your parking in 30 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 30 day permit cannot be cancelled once started and there are no refunds for 30 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 30 day permit (managed in vPermit – make sure you select the salary sacrifice option).

No administration fee is charged for salary packaging of parking.
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.