

# Compassionate Travel

#### What is Salary Packaging?

Salary Packaging is a tax effective way to receive your salary as a combination of income & benefits that allows you to deduct some of your pre-tax income & use it to pay for a variety of benefits.

By reducing your pre-tax income you can reduce the amount of income tax you pay & in turn increase the amount you take home each pay day.

### What is considered compassionate travel?

Certain benefits can be provided in relation to compassionate travel which are 100% exempt.

This is restricted to:

- travel by an employee for the sole purpose of visiting a close relative who is seriously ill
- travel by an employee for the sole purpose of attending the funeral of a close relative
- travel by a close relative of an employee for the sole purpose of visiting the employee, if the employee is seriously ill
- travel by a close relative of an employee for the sole purpose of attending the funeral of the employee
- travel by a close relative of an employee for the sole purpose of visiting a seriously ill close relative of the employee (the traveller must ordinarily reside with the employee)
- travel by a close relative of an employee for the sole purpose of attending the funeral of a close relative of the employee (the traveller must ordinarily reside with the employee).

For the purpose of this exemption, a close relative of an employee means a spouse, a child or a parent of the employee, or a parent of the employee's spouse.

## Lisa has recently fallen ill and her children will be vising her while she is in hospital.

Lisa has recently fallen ill and she is expected to be hospitalized for at least 2 weeks in Brisbane. During this time, her two children, Sally and Alex. who study in Melbourne and Sydney respectively, will be traveling to spend time with their mother. By using Salary Packaging, Lisa will be able to claim Sally and Alex's ravel expenses as compassionate travel, and be reimbursed the full amount, including travel, meals and accommodation.

### Simon lives in Sydney and needs to travel to the funeral of his Father in Perth

Works as an engineer in Sydney. Unfortunately, Simon's father has passed away, leading him to travel to Perth for 1-2 weeks while handling the funeral arrangements. Simon will be missing work and will need to travel to Perth with short notice. When Simon Returns to work, he will be able to claim his travel costs, including flights, car hire, meals and accommodation if necessary, and be reimbursed 100% of his expenses.

There is no obligation to check your personal scenario with Salary Packaging Australia to find out what potential tax benefits you could be experiencing as well.

**CALL TODAY!** 

#### How Do I Get Started?

Call SPA on 1300 786 664
Or email us at enquiries@salpacaus.com.au





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