

POWER OF USING SALARY SACRIFICE

JULY 08

SALARY LEVEL ^(a)	\$25,000	\$45,000	\$65,000	\$90,000	\$120,000	>\$180,001
Marginal tax rate incl. 1.5% medicare levy	16.5%	31.5%	31.5%	41.5%	41.5%	46.5%
If taken as Salary						
Nominal Investment	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Less income tax payable	(\$825)	(\$1,575)	(\$1,575)	(\$2,075)	(\$2,075)	(\$2,325)
Net to invest	\$4,175	\$3,425	\$3,425	\$2,925	\$2,925	\$2,675
If Salary Sacrificed						
Nominal Investment	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Less income tax payable	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
Less contributions tax @ 15%	(\$750)	(\$750)	(\$750)	(\$750)	(\$750)	(\$750)
Less investment entry fee @ 4.5% ^(b)	(\$225)	(\$225)	(\$225)	(\$225)	(\$225)	(\$225)
Net invested	\$4,025	\$4,025	\$4,025	\$4,025	\$4,025	\$4,025
Benefit	(\$150)	\$600	\$600	\$1,100	\$1,100	\$1,350
As a % of Salary Invested	(3%)	12%	12%	22%	22%	27%

(a) Salary for superannuation purposes is defined as net taxable income plus reported fringe benefits plus superannuation contributions

(b) Subject to individual circumstances - With an IFA adviser it would, depending upon amount invested, often be lower.

Please note the tax rates are effective from 1 July, 2006