

### **Airline Lounge Memberships Information Sheet**

1. ANU administers a salary sacrificing service for [Qantas Club](#) and [Virgin Blue- The Lounge](#) airline lounge memberships.
2. Airline Lounge Memberships for Qantas Club and The Lounge (Virgin Blue) are available for sacrificing under this arrangement. With Qantas Club, employees can choose to salary sacrifice either a one-year or a two-year membership. For The Lounge, employees can choose to salary sacrifice a one-year membership.
3. New lounge members will also have to pay a once-off joining fee. This can be included as part of your salary sacrificing arrangement. For details of costs of the membership options, please refer to the [Request to Salary Package and Airline Lounge Membership form](#).

#### **What is the process for sacrificing airline lounge memberships?**

Step 1	Employee reads <a href="#">ANU Salary Sacrifice Procedure</a> to confirm whether they are eligible to participate in the salary sacrificing arrangement, and seeks financial advice if required.
Step 2	Employee fills in the airline application form/s: <a href="#">Qantas Club</a> , <a href="#">Virgin Blue</a>
Step 3	Employee fills in the ANU <a href="#">Request to Salary Package and Airline Lounge Membership form</a> . In this form, the employee agrees to have their future salary reduced for a period of time in order to receive the airline lounge membership benefit.
Step 4	Please submit both completed application forms to Tax Unit, Finance & Business Services (Building 10C). The forms and payment will be then be processed and submitted to Qantas Club and/ or The Lounge. Please ensure applications are submitted well in advance of the need for Lounge access.
Step 5	Provided all requirements are satisfied, the Tax Unit will send the employee an email indicating whether the application forms were submitted correctly, and the amount that will be deducted from the employee's pay over the elected number of pays.
Step 6	The GST- exclusive cost of the airline lounge membership is then deducted from the employee's pre-tax salary over the number of pays elected by the employee (up to a maximum of 10 pays).

#### **What are the taxation implications?**

4. Airline Lounge Memberships are exempt from Fringe Benefits Tax (FBT) under Section 58Y of the FBT Act.
5. This benefit will not be reported on an employee's payment summary as a Reportable Fringe Benefit amount.
6. Employees are asked to consult the ATO ([www.ato.gov.au](http://www.ato.gov.au)) or their taxation advisor in relation to any financial implications which this salary sacrificing arrangement may have on their financial position.
7. For further information, please contact the Tax Unit, Finance & Business Services ([taxunit@anu.edu.au](mailto:taxunit@anu.edu.au)).
8. The University retains the right to revoke these arrangements at any time