

On receipt of the transfer, RemServ reconciles the amounts and updates each employee's RemServ account with the updated balance.

Benefit payments are then made from the employee account via EFT and BPay to the employee's nominated benefits as required.

RemServ processes the statements each morning for the previous business day and without the deduction listing for the funds transfer amounts, employee regular payments may be delayed until we receive all required information. It is extremely important that the deduction listing is received in time for the payments to be processed before 8:30am. Our preference is that the listing is sent to RemServ in advance, or same day as the funds transfer.



TIP

Total of listing **MUST** match total of deposited amount into RemServ Trust Account.

If the amount will vary to what RemServ expects, it's important to notify the Banking and Client Payroll team.

## RemServ's Finance Functions

Along with the Contribution Report and Deduction Listing there are a number of other reports that are required for both RemServ and your internal processes. These reports are explained below.

### Input Tax Credits (ITC) report and RemServ tax invoice



TIP

For more information on completing item G11 on your BAS, contact the ATO who will be able to assist or visit [www.ato.gov.au](http://www.ato.gov.au)

The ITC report and the RemServ tax invoice are provided via email every month by the **seventh day of the new month**.

#### What is the ITC Report?

The ITC report should be used when preparing your Business Activity Statement (BAS).

The ITC report summarises each employee's total input tax credits which have accrued due to the benefits they have salary packaged. The total claimable GST, which can be found on the last page of the report should be grossed up by a factor of 11 (e.g.  $\$250.25 \times 11 = \$2,752.75$ ). **This amount should be included in Item G11 on your BAS. These input**

tax credits will be returned to your employees and you will be required to return the input tax credits to RemServ's Trust Account.

We recommend that these funds are paid within 30 days of receiving the report.



TIP

When making the ITC credit payment to RemServ remember to use the RemServ Account.

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#### What is the RemServ Tax Invoice?

The RemServ Tax Invoice provides details of the GST amounts that apply to the RemServ administration fee, and where applicable fuel card transactions during the past month for those employees with a fuel card. These transactions are not itemised on the tax invoice by the employee but rather by the employer as a whole.

The tax invoice is not a request for payment and should be retained for a period of time as per your record keeping policy. These details have also been included on the ITC report, which should be used when preparing your BAS.

#### Report format includes:

- .pdf (default)
- .xlsx (available on request).

#### ITC report will include:

- date of transaction
- employee name
- RemServ ID
- payee on tax invoice
- benefit category of transaction
- ABN of payee
- amount paid on invoice
- claimable GST amount.

### GST on Employee Contribution Method (ECM) Report & Payment

The GST on Employee Contribution Method (ECM) report should also be used when preparing your Business Activity Statement (BAS).

Unlike the input tax credits the GST on ECM is a GST liability, which is funded by the employee via their salary packaging account. The GST on ECM Report summarises all GST amounts collected from employees who currently have a novated lease, where they are contributing after tax income (post-tax) towards the running costs of their novated lease vehicle.