

# Circular 2018-04 | Executive vehicle cost to package calculator (revised)



**Victorian  
Public Sector  
Commission**

<b>Circular Number</b>	2018-04 (revised)
<b>Issue date:</b>	26 October 2018
<b>Revised date:</b>	20 December 2018
<b>Application:</b>	All Victorian public sector employers
<b>Resources</b>	<b>Executive Vehicle Cost to Package Calculator</b> <a href="https://vpsc.vic.gov.au/resources/victorian-public-service-executive-resource-suite/">https://vpsc.vic.gov.au/resources/victorian-public-service-executive-resource-suite/</a>
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## Key Points

- The Victorian Public Sector Commission (VPSC) publishes the Executive Vehicle Cost to Package Calculator (the Calculator) to assist organisations to determine the cost to be deducted from the remuneration package of an executive who opts to package a motor vehicle.
- In consultation with VicFleet, the VPSC has finalised an update of the Calculator. The updated Calculator maintains the core methodology while incorporating more relevant input data including current Fringe Benefits Tax rates, as well as running, registration and insurance costs which reflect contemporary fleet operations.
- In future, the VPSC will review the Calculator at least annually in consultation with VicFleet.

- The updated Calculator applies to any Victorian Public Service employee whose employment commenced on or after 10 October 2018.
- Following consideration by the Victorian Secretaries Board and on the advice of the Department of Premier and Cabinet, for Victorian Public Service employees who had commenced employment prior to 10 October 2018, the updated Calculator will apply from 1 July 2019.

## Updates

This Circular has been revised to clarify its application to existing public service employees as at 10 October 2018.

The Executive Vehicle Cost to Package Calculator is now available on the VPSC website in the [Victorian Public Service Executive Resource Suite](#).

## Requirements

Victorian Public Service employers who provide packaged vehicles to Victorian Public Service employees must apply the updated formula to any employee who commenced their employment on or after 10 October 2018.

Following consideration by the Victorian Secretaries Board and on the advice of the Department of Premier and Cabinet, for Victorian Public Service employees who commenced their employment prior to 10 October 2018, the updated Calculator will apply from 1 July 2019.

## Background

The formula underpinning the Calculator is set out in the [Victorian Public Service Executive Handbook \(the Handbook\)](#) and is therefore binding on Victorian Public Service executives and their employers.

## Scope

The Calculator is mandatory for the Victorian Public Service.

All Victorian public sector entities are encouraged to revise their policy and



procedures on salary packaging of motor vehicles, ensuring these are informed by the Calculator and the Handbook.

