

# **THE RICE MARKETING BOARD FOR THE STATE OF NEW SOUTH WALES**



## **MOTOR VEHICLE POLICY**

**FINAL**

**2024-1**

# THE RICE MARKETING BOARD FOR THE STATE OF NEW SOUTH WALES

## MOTOR VEHICLE POLICY

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### 1. INTRODUCTION

This Motor Vehicle Policy outlines who is eligible and how we expect employees of the Rice Marketing Board (RMB) to make use of vehicles to perform the requirements of their role as part of their ongoing employment.

### 2. SCOPE

This Motor Vehicle Policy applies to all RMB employees and Board Members and covers both Tool of Trade (TOT) vehicles and use of personal vehicles for business purposes.

### 3. TOOL OF TRADE VEHICLES

#### 3.1. DEFINITION

Tool of Trade (TOT) vehicles are vehicles provided to eligible employees (referred to as Vehicle Driver) to assist in performing the requirements of their role on a regular day-to-day basis, and/or to carry or transport the necessary equipment/products to do their role. The vehicle should not be considered a personal vehicle. Private use should be kept to a minimum.

The provision of a TOT vehicle is at the sole discretion of the Board.

On request, holders of TOT vehicles must submit a 12-week travel diary to the Board Secretary for FBT calculation purposes.

#### 3.2. GENERAL PRINCIPLES ON THE USE OF TOT VEHICLES

Fully Maintained Vehicles are provided as TOT vehicles and any vehicle acquired remains the property of the Rice Marketing Board.

- The vehicle make and type is determined by the procurement contracts in place for the Regional NSW Cluster and purchasing of vehicles must comply with Procurement Board directives.
- Eligible employees are responsible for the vehicle during business hours and outside of business hours.
- Vehicle running costs will be paid by the Rice Marketing Board
- No smoking is permitted in RMB provided vehicles.
- Items that are stowed in the cargo area should be properly secured at all times.
- All drivers must hold a current driver's licence valid for the Australian State or Territory in which they are using the vehicle.
- A current copy of the driver's licence is to be provided to the Board Secretary to be held on the employee's file. Vehicle Drivers must notify the Board Chair immediately if their licence is cancelled

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or suspended or if they suffer from any disability or are taking any medication that may affect driving performance.

### 3.3. OPERATIONS

As a recipient of an RMB provided vehicle, it is the employee's responsibility to have read and understood the policy (and any updates), and it will be assumed that they agree to the conditions of use.

### 3.4. VEHICLE SELECTION

Any vehicle selected must be an approved vehicle under the Regional NSW Cluster procurement rules and in line with Procurement Board directives. Approved vehicles have a minimum ANCAP (Australasian New Car Assessment Program) rating of 5 stars

The maximum permitted purchase price for a TOT vehicle is currently \$50,000 including all stamp duty, onroad costs and delivery.

### 3.5. VEHICLE ACCESSORIES

Generally, vehicles will be provided with the following standard accessories:

- Air-conditioning
- Driver airbag
- Tinted Windows
- Floor mats

Other required modifications or accessories are at the sole discretion of the Board Chair.

### 3.6. REPAIRS, MAINTENANCE AND SERVICING

The Vehicle Driver is responsible for organising all repairs, maintenance and servicing required to keep the vehicle on the road. The Vehicle Driver accepts responsibility to ensure the vehicle is serviced in accordance with the manufacturer's specifications. Services should be carried out by a dealership or manufacturer's agent in order to retain the warranty cover. Generally, outside the warranty period, vehicles should continue to be serviced at intervals specified by the manufacturer.

Vehicle drivers are responsible for:

- Ensuring the vehicle is serviced in accordance with Manufacturer's requirements;
- Ensuring the service log book has been completed and stamped by the service provider at the completion of the service.
- Arranging payment for the service

### 3.7. ROADSIDE ASSISTANCE

Roadside assistance will be provided for the vehicle by the RMB.

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### 3.8. APPROVED DRIVERS OF TOOL OF TRADE VEHICLES

Other RMB employees and non employees eg spouse of the vehicle driver, may be required to drive the vehicle from time to time. Those employees and non employees are also responsible for complying with this Motor Vehicle Policy. No person under the age of 25 is permitted to driver an RMB vehicle.

### 3.9. RMB VEHICLE PRIVATE USAGE

A vehicle belonging to the RMB is to be used for its intended work duties only. Personal use must be limited to:

- a. travel between home and place of work and any diversion adds no more than two kilometres to the ordinary length of that trip, and
- b. for journeys that are wholly for private purposes, the usage must be considered minor and infrequent. Should a higher level of personal usage be required, employees through negotiation with the Board Chair, can agree on a co-contribution sum to offset increases in FBT liability which arise with higher levels of personal usage.

RMB vehicles:

- are not to be taken 4WD adventuring, used for motor sport, non RMB commercial purposes, learner drivers or other non-work activities;
- Cannot be used to exhibit or advertise the business of other companies (private or otherwise), including logos; and
- Cannot be used to conduct secondary business.

If you are transporting precious cargo, i.e. children, please ensure the appropriate restraints are used. For a child an appropriate child restraint seat fitted by an authorised dealer is recommended to ensure the utmost safety of family members. The Board requests that RMB owned vehicles are not used to transport pets or livestock.

### 3.10. VEHICLE CONDITION AND STANDARD OF CARE

RMB vehicles will be issued in good order and in a clean and tidy condition. It is the vehicle driver's responsibility to maintain the vehicle in the same condition.

Drivers of RMB vehicles reflect the image of the Board in the community and as such the Board requires employees driving Board issued vehicles to project a professional image at all times. This requires employees to operate the vehicle with an appropriate level of care and responsibility giving due consideration for other drivers and pedestrians.

Employees should ensure the cleanliness of the vehicle (internal and external) is maintained at a good standard at all times, with regular washing and cleaning. Employees are required to garage and wash the vehicle at their own expense. These costs will not be reimbursed by the Board.

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Whenever possible, vehicles must be parked off-street and preferably garaged to ensure safety and protection.

When unattended, vehicles should be locked at all times and all items belonging to the Board (eg Laptops) should either be removed or stored out of view.

Employees should also ensure they do not leave personal items in the vehicle, as loss or theft of such items is not covered under RMB insurance and will not be reimbursed. Employees may elect to take out their own insurance cover for personal items.

Vehicles returned to the Board damaged, or in a dirty and poor condition, or that have been wilfully neglected, will be put back into good order and any associated costs will be the responsibility of the employee.

### 3.11. LEAVE CONDITIONS

As the RMB incurs FBT on all TOT vehicles, vehicles are provided for work purposes only with very limited personal use, employees should not use their TOT while on leave.

### 3.12. SAFETY

PLEASE TAKE CARE. We want our employees to return home safely to their family and friends at the end of each day. Employees must:

- Plan their trip and be aware of fatigue
- Take a break from driving every two hours for a minimum of 15 minutes.
- Contact a colleague before departure and on arrival at their destination when travelling for more than four hours in a single trip.
- When driving, only make calls from a hands free mobile phone kit ONLY. No messaging should be undertaken by a driver whilst the vehicle is in motion or in stationary traffic. Note that the use of technology such as phones, extends to tablets or other hand held devices.
- Be aware of weather and road conditions when planning trips. If it is going to be a 'wet and wild' or an 'extreme' bushfire day, employees must ask themselves 'should I be in the vicinity?' Be aware of flooding, poor road conditions and ice on roads, etc.
- Ensure vehicles are serviced as per manufacturer's instructions.
- Carry out regular checks such as tyre pressure, fuel, oil and ensure a spare tyre in a suitable condition, is available in the vehicle.

It is important employees look after their health and well-being. Keep hydrated, ensure they have sufficient sleep and are able to manage any workplace stress appropriately.

All employees are to ensure they have registered an emergency number in their mobile phone. In the case of an emergency, this will enable anyone to use your phone to call designated emergency contacts.

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### 3.13. INSURANCE AND ACCIDENT MANAGEMENT

Accidents must be immediately reported to Board Chair and the Board Secretary.

The Board Secretary will liaise directly with the insurer.

For Breakdowns the employee can liaise directly with the Roadside Assistance provider.

In the event of a breakdown or accident, it is important to consider your own safety first and take the necessary precautions, where possible, to mitigate any further risk or injury.

In the event of an accident, the following procedure must be followed:

1. Call 000 and ask for Police and/or Ambulance if anyone is injured.
2. Obtain/provide all necessary details from/to the other driver i.e.:
  - Name
  - Address
  - Telephone number
  - Licence number
  - Names of witnesses if any
  - Location details (street, suburb, town)
  - Name of insurer
3. It is the responsibility of the Police and the Courts to determine the responsibility of the accident. Employees are requested to not sign any acknowledgement for an accident unless requested by Police and the Courts.
4. Repairs are to be authorised by the Board Chair only
5. The Police must be called to the scene of the accident in the following circumstances:
  - if property OTHER than damage to vehicles is in excess of \$500
  - if a party to the accident has left the scene without giving particulars
  - if there is obviously alcohol or drugs contributing to the accident
  - if any vehicle is required to be towed away
  - if police are unable to be contacted, report to the nearest Police Station as soon as practicable
6. DO NOT move your vehicle from the scene until Police arrive.
7. Report any accident to the Board Chair and Board Secretary.
8. If the employee has sustained any injury it should also be reported to the Board Chair.
9. If the Police were not called, the accident must be reported to the Police within 24 hours.

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10. Where necessary a towing contractor authorised by the designated driver should be used.

12. After all accidents please complete an Accident/Incident report to ensure that the accident is logged.

### 3.14. ALCOHOL AND OTHER DRUGS

Alcohol and other drugs are not to be consumed while travelling in an RMB vehicle. The Board has a zero tolerance for driving under the influence of alcohol or illegal drugs.

The consequence including fines, and or jail, as well as financial penalties associated with the voiding of insurance cover and damage to property expenses will be the employee's responsibility.

Any employee found guilty of such offence will be responsible for paying all costs and fines resulting from the incident.

### 3.15. LOSS OR SUSPENSION OF LICENCE

The employee is responsible for ensuring that those who drive the vehicle are appropriately licensed and operate the vehicle in a safe manner, observe road safety requirements, and road law.

In the event of a breach of law which results in the loss or suspension of an employee's licence, the vehicle will be retained by the RMB.

### 3.16. TRAFFIC INFRINGEMENTS AND PARKING FINES

The RMB will not accept liability for parking or traffic violations. Drivers are to report all fines and infringements to the Board Secretary within 24 hours of notification unless there are exceptional circumstances.

It will be the responsibility of the designated driver to pay all traffic infringements. Infringements are to be settled within the defined period.

If the employee was not the driver at the time of the infringement, they are responsible for identifying the driver responsible and ensuring the prompt payment of any fines. If they are unable to do so the fine remains their liability.

Traffic Infringements and Parking Fines are not to be paid for on RMB issued Credit Cards.

### 3.17. TOLL WAY CHARGES / E-TAGS

The RMB will pay for all toll way charges incurred by vehicles which are required to use the road network where a toll applies to carry out the normal course of business. Any such expenses incurred by the employee should be claimed using the Expense Claim Form. It is the responsibility of the employee to obtain a permit to travel on toll roads. The Board will not wear the cost of toll infringements. Toll Infringements are not to be paid for on RMB issued Credit Cards.

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The Board Chair may approve for the provision of an e-TAG, to avoid the manual purchase of toll permits. It is the responsibility of the employee to request the provision of an e-TAG in circumstances where purchasing manual permits becomes onerous.

### 3.18. VEHICLE RETURNS AND END OF EMPLOYMENT

When a vehicle is returned due to vehicle changeover or upon ending employment with the RMB, all Keys including spare key, must be returned.

The vehicle is to be returned in the same condition as it was received. Any costs associated with cleaning/ repair or the ordering of a spare key will be at the driver's expense.

### 3.19. APPLYING FOR A NEW VEHICLE OR REPLACEMENT VEHICLE

TOT vehicles are replaced at a time determined by the Board. At a minimum a review should be conducted after 3 years or 100,000km, which ever comes first.

### 3.20. LEAVING RMB

Employees must return the vehicle in a clean and tidy state on their last day of employment. A vehicle inspection will be carried out and employees are to return all keys. Costs associated with lost keys etc will be borne by the employee. Final payments will not be made until this process is carried out.

## 4. Use of Personal Vehicles for RMB travel

Employees and Board Members may use their personal vehicle for travel. Travel must comply with the RMB Travel Policy. Where vehicle travel is not the most economical method of transport, the lower cost method ie flight vs c/km will be reimbursed as per the Travel Policy.

The Board will not reimburse an Employee or Board Member for costs considered to be of a personal nature including but not limited to Maintenance or Repairs and Roadside Assistance Memberships.

Reimbursement is via approved cents per kilometre basis for all necessary and approved business use. The rate(s) are as per the Travel Policy.

A maximum of 5,000 business kilometres per annum can be claimed **tax free** across all boards and committees. Employees and Board Members are responsible for tracking their own kilometres travelled to ensure they do not breach the 5000km limit. It is the responsibility of all Employees and Board Members to inform the Board Secretary when 5000km is reached as different tax treatment applies.



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### 4.1. Insurance Coverage - use of Personal Vehicles for RMB Business

The RMB iCare Insurance Policy includes coverage of personal vehicles used on RMB business for both Employees and Board Members. The cover will be equivalent to the employee or member's personal comprehensive insurance policy however does cover the excess.

To be eligible for cover the RMB Employees and Board Members must supply the following details to the Board Secretary:

4.1.1 Drivers Licence

4.1.2 Vehicle Registration

4.1.3 Greenslip/CTP

4.1.4 Comprehensive Insurance Cover

When using private vehicles for RMB business, drivers must ensure compliance with sections of this policy relevant to WHS, fines and toll charges, specifically:

s3.12 – Safety

s3.14 – Alcohol and Other Drugs

s3.16 – Traffic Infringements

s3.17 – Toll charges

Refer Attachment 1 – Schedule of Personal Use and Fringe Benefits – Tool of Trade Vehicles for information on personal use and Fringe Benefits Tax calculations for RMB owned vehicles.

## 5. Further information

For further information concerning the Credit Card Policy, please contact:  
The Secretary

The Rice Marketing Board for the State of New South Wales

PO Box 151

LEETON NSW 2705

Telephone: (02 6953 3200

Facsimile (02) 6953 7684 E-mail: [secretary@rmbnsw.org.au](mailto:secretary@rmbnsw.org.au)

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### 6. Document Approval and Control

#### a. Version

Reference	Details
File Name	Motor Vehicle Policy
File location	RMB Policies/2022-1 Motor Vehicle Policy - DRAFT
Version	2024-1
Status	DRAFT

#### b. Revision History

Version	Revision Date	Summary of Change	Author
2022-1	12/09/2022	Creation	N Dunn
2023-1	24/02/2023	Add schedule of private use and FBT	N Dunn
2024-1	27/02/2024	Update for iCare insurance cover for personal vehicles used for RMB business	N Dunn

#### c. Document Approval

Board/Committee Approval	Date
Governance, Nominations and Remuneration Committee	01/03/2023
Board	29/03/2023
Governance, Nominations and Remuneration Committee	6/03/2024
Board	28/03/2024

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### Attachment 1: Schedule of Personal Use and Fringe Benefits - Tool of Trade (TOT) Vehicle

A car fringe benefit arises where the following occurs:

- The vehicle provided is a car
- The car is owned or leased by the employer
- An employee has private use of the vehicle, or the vehicle is deemed to be available for private use of the employee. This occurs when the car is garaged at or near the employee's residence, or, the car is not on the employer's business premises, and the employee has control of the car (i.e. has the keys).

The RMB TOT provided to the General Manager gives rise to a Fringe Benefit as the vehicle is a car, is owned by RMB and is garaged at a private home.

The RMB TOT is made available for private use. An expectation is that personal use will be kept to a reasonable limit to ensure costs incurred by the Rice Marketing Board for Fringe Benefits Tax are kept to a minimum.

#### Calculating the Taxable Value of a Car Fringe Benefit

There are two calculation methods for valuing a car fringe benefit:

- Statutory formula method - This rate applies to all car fringe benefits after 7.30pm AEST on 10 May 2011 where no existing commitments are in place. The taxable value of the car fringe benefits is the statutory rate multiplied by the car's base value.
- Operating cost method - the taxable value of the car fringe benefit is a percentage of the total costs of operating the car during the fringe benefits tax (FBT) year. The percentage varies with the extent of actual private use. The lower the incidence of actual private use, the lower the taxable value.

#### Choosing the Valuation Method

You must use the statutory formula method unless you elect to use the operating cost method. You may elect to use the operating cost method for any or all of your cars, regardless of which method you used in a previous year. However, to use the operating cost method you must have kept adequate FBT records.

You must decide to use the operating cost method no later than the day on which your FBT return is due to be lodged with the ATO or, if you do not have to lodge a return, by 21 May.

You can choose whichever method yields the lowest taxable value. There is no need to notify the ATO of the method chosen as your business records are sufficient evidence of this.

#### Statutory Formula Method

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Taxable value =  $((A \times B \times C) \div D) - E$

Where:

- A is the base value of the car
- B is the applicable statutory percentage – currently 20% irrespective of Km travelled
- C is the number of days in the FBT year when the car was used or available for private use of employees
- D is the number of days in the FBT year
- E is the employee contribution.

**Operating Cost Method**

Taxable value =  $(A \times B) - C$

Where:

- A is the total operating costs
- B is the percentage of private use
- C is the employee contribution .

**Determining the base value of the car under the Statutory Formula**

**Owned Vehicles**

The base value of a car you own is:

- the original cost price you paid (excluding registration and stamp duty but including GST)
- the cost of any fitted non-business accessories
- dealer delivery charges.

All cost and charges include GST and luxury car tax where appropriate.

**Lodging FBT Returns**

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The FBT Year runs from 1 April to 31 March. Calculations are performed based on the 2 methods outlined and the method resulting in the lowest FBT Liability will be used. The RMB is registered for FBT through the Australian Taxation office and FBT Returns must be lodged and the tax paid by 21 May.