

Credit Card Guideline

Section 1 - Purpose

(1) To assist with monthly University Credit Card reconciliations and provide further clarification of terms.

Section 2 - Policy

(2) Refer to the [Credit Card Policy](#).

Section 3 - Procedures

(3) Refer to the [Credit Card Procedure](#).

Section 4 - Guideline

Fraud Prevention

(4) The University recommends that staff take the following precautions:

- a. never let your credit card out of your sight, as this gives a would-be thief an opportunity to copy down the card details or even swipe through a skimming device to create a counterfeit card;
- b. memorise your PIN;
- c. don't use the same PIN for all your cards, and don't choose your birth date or other easily identifiable number;
- d. never give your card number to strangers or telemarketers who call you on the phone;
- e. make sure your mailbox is secure and sign your card as soon as you receive it;
- f. make sure you are using a secure website when using your credit card online;
- g. before you travel it is a good idea to let ANZ Bank know where you will be going, this way the Falcon™ knows about transactions coming through from overseas and can monitor your card accordingly;

Note: To do this, simply call the ANZ Commercial Cards Call Centre on 1800 032 481 (This number is also printed on the back of your card for convenience).

- h. be aware of the skimming hot spots around the world, which are currently Thailand, Indonesia, Sri Lanka and South Africa;
- i. within Australia, be aware of domestic taxis (especially around airports in NSW and VIC);
- j. always check ATMs for any unusual additions or parts that stick out from the machine - these could be devices for skimming card details and obtaining your PIN; and
- k. reconcile your expenditure regularly.

Goods and Services Tax (GST)

(5) The University is required to pay Goods and Services Tax (GST) on most credit card purchases which exceed

\$82.50 (inclusive of GST) in total. The Australian Taxation Office does not require a Tax Invoice for goods and services less than \$82.50 or goods purchased overseas although travellers are encouraged to provide documentation if obtained.

(6) GST payable is exactly 1/11th of the total price on an invoice. Either a statement along the lines of "the total price includes GST", or the GST amount, must be provided.

Valid Tax Invoice

(7) A Tax Invoice is only valid if it includes:

- a. the supplier's Australian Business Number (ABN);
- b. GST-inclusive price of the taxable item;
- c. the words "tax invoice" stated prominently;
- d. the date of issue of the tax invoice;
- e. the name of the supplier; and
- f. a brief description of each item supplied.

(8) A University Credit Card transaction docket is NOT a valid Tax Invoice.

(9) When a supplier issues a cardholder with an invoice and that invoice (or some other document relating to the supply) does not contain an ABN (Australian Business Number), tax will be withheld at a rate of 48.5%. This is referred to as "no-ABN withholding". Where an exemption applies, the supplier is to provide a written statement to the University to avoid having the withholding tax deducted from their payment.

Fringe Benefits Tax(FBT)

(10) Cardholders should become familiar with the types of Fringe Benefits that may arise with certain types of expenditure.

(11) The most common types of Fringe Benefits associated with the use of a University Credit Card are "Tax Exempt Body Entertainment Fringe Benefits" and "Expense Payment Fringe Benefits". Detailed information about these Fringe Benefits can be obtained from the FBT Guide.

(12) Cardholders will be required to identify transactions on which Fringe Benefits Tax (FBT) is payable and to allocate that expenditure to the appropriate account classes.

(13) The cardholder must provide names of all University staff and associates (i.e. spouse, contractor) and the number of external clients (non-University staff or associates) in attendance at a function on the on-line FBT questionnaire in the credit card expense management system.

(14) The FBT liability will be automatically calculated in the Finance One General Ledger for each transaction in the FBT eligible account classes.

Example: Entertainment Fringe Benefit

(15) A cardholder charges the full cost of a business lunch of \$150 (GST inclusive) to the Credit Card. One University staff member and two clients (non-University staff) attended the lunch. Fringe Benefits Tax will be payable on one third of the cost of the lunch, being the cost for the staff member.

(16) The cardholder should complete the on-line questionnaire and record one employee and two guests in attendance and provide the names in the attendee field. The correct account classes will be automatically selected.

Travel Expenses

(17) Refer to the [Travel Policy](#) for details on when a University Credit Card is required when travelling.

Section 5 - Definitions

(18) Commonly defined terms are located in the University [Glossary](#).

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