

THINGS TO DO BEFORE JUNE 30



11 June 2020, Page 1

Topics:

Capital Acquisitions

Capital Gains Tax Considerations

Trust Distribution Minutes

Income Deferral

Bring Forward Deductions & Super Guarantee Payments

Write Off Bad Debts

Stock Take

Existing Depreciable Assets

Newsletter

Office Hours:

8:30am
to
5:00pm

Monday
to
Friday

Closed
Public
Holidays

BUSINESS

These year-end tax tips are designed to provide Businesses with a list of key issues that they should consider in preparing their income tax returns for the year ended 30 June.

The list is not exhaustive and if there is anything we can assist you with, or you are concerned about, please contact us today to discuss.

CAPITAL ACQUISITIONS

Consider bringing forward any asset acquisitions to make use of immediate tax deductions of up to \$150,000 for assets acquired by eligible small businesses, and accelerated depreciation entitlements. Note the \$150,000 limit applies to assets acquired after 12 March 2020 and before 30 June 2020. The asset must be installed and ready for use before 30 June 2020 to be available as a deduction. We note that this write off has been extended from the original end date of 30 June 2020 until 31 December 2020, after which the immediate write off limit will reduce to \$1,000 per asset. We don't, however, advise on spending money just in order to claim a tax deduction. You should consider your cash flow and the need for any capital purchases.

CAPITAL GAINS TAX CONSIDERATIONS

If you have sold any assets throughout the year, discuss with us the capital gains/losses made and how this may affect your tax position. There are several CGT Small Business concessions you may not be aware of that could benefit you.

TRUST DISTRIBUTION MINUTES

Trust Distribution Resolutions are required BEFORE 30 June 2020 – or pay up to 47% tax on trust profits. Please advise of any change in your distributions requirements prior to this date.

INCOME DEFERRAL

Subject to cash flow considerations and anti-avoidance rules, consider deferring income to the following year.

BRING FORWARD DEDUCTIONS

Subject to cash flow considerations and payment rules, consider making deductible purchases by year's end in order to accelerate deductions.

BRING FORWARD SUPER GUARANTEE PAYMENTS

Superannuation guarantee payments for your staff aren't due until July but paying these before June 30 will give you a deduction for them in this financial year. Note the payment must be made by no later than 23rd June if you pay through the ATO's Small Business Superannuation Clearing House to allow the payment to be receipted by the superannuation fund in order for it to be deductible. If you pay superannuation another way, we recommend confirming with their superannuation fund the date payment is required.

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11 June 2020, Page 1

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*Write Off
Bad Debts*

Stocktake

*Existing
Depreciable
Assets*

Newsletter

Social Media

WRITE OFF BAD DEBTS

If you know that you are not going to be paid, then it is best to write these off as a bad debt prior to June 30 in order to claim the tax deduction.

STOCKTAKE

Consider having a stocktake on 30 June or 1 July. Any lost, damaged or obsolete stock can then be identified and written off, reducing your taxable income.

EXISTING DEPRECIABLE ASSETS

Review the prior year depreciation schedule for any assets that have been scrapped.

NEWSLETTER

Please refer to the 2020 Newsletter for important information regarding:

- PAYG Withholding Reporting & Single Touch Payroll
- Taxable Payments Reporting
- Superannuation Changes
- Fringe Benefits Tax
- Change in Tax Rates
- Working Holiday Makers
- Payroll Tax
- Land Tax
- COVID-19 Government Stimulus – eg JobKeeper and Cashflow Boost

FACEBOOK & INSTAGRAM

We are now on Facebook & Instagram. Please follow our page by clicking on the links below for access to reminders, advice and important information regarding tax updates and government announcements.

Please do us the honour of sharing our posts with your friends and leave a review!
Your business is our business!

