

Instant Asset write-off threshold of \$20,000 extended

Attention!

The \$20,000 instant asset write-off for small businesses with an aggregated annual turnover of less than \$10 million has been extended to expenditure incurred up to 30th June 2025. Without this extension the threshold would have dropped back to \$1,000 as from 1st July 2024.

Given the extension, there is no longer the same urgency in having the depreciating assets used or installed ready for use by 30th June 2024 as items costing less than \$20,000 acquired over the following 12 months will still be eligible for an immediate write-off for small businesses using the simplified depreciation rules.

Super Contributions

Attention!

Have you made extra contributions to super?

Personal contributions to a complying super fund may be eligible to claim these payments as a tax deduction (Eligibility tests apply).

All you will need to do is complete a Superannuation Notice of Intent form and receive an acknowledgement back from your fund.

The maximum deductible contribution for the year is \$27,500 (increasing to \$30,000 next year). This includes all contributions made into your fund by your employer and yourself. Please ensure that you don't exceed this limit otherwise you will be imposed with additional tax. (Note: Payment must be cleared by 30th June to claim it in the relevant year.)

Please Note:

The Carried Forward Super Concessional Cap for 2018-19 is expiring on 30th June 2024. If eligible, please make sure that the funds must be clear into your super account by 30th June 2024. We can check amounts and eligibility for you.

Single Touch Payroll

Single Touch Payroll (STP) is now compulsory for all Employers, and you must report every pay event to the ATO. If you need assistance with setting this up, please contact the office as soon as possible.

Super Guarantee

Be Aware!!

Super guarantee rates are changing (as follows):-

1 July 2023 - 30 June 2024	11.00%
1 July 2024 - 30 June 2025	11.50%
1 July 2025 - 30 June 2026	12.00%
1 July 2026 - 30 June 2027	12.00%
1 July 2027 - 30 June 2028 onwards	12.00%

Also Note:

On 14 May 2024, as part of the 2024-2025 Federal Budget, the Australian Government announced that super guarantee contributions will be paid on government-funded paid parental leave (PPL) for parents of babies born or adopted on or after 1 July 2025. Eligible parents will receive 12% SG payment on their PPL payments, as a contribution to their superannuation fund payments.

No offset for old tax debts on hold

Last year ATO began to offset some older tax debts that had been put on hold prior to January 2017 against the current BAS refunds. While in some cases the revived tax debts were relatively small, the ATO was not always able to explain what the debts represented. The government will now give the ATO explicit power not to offset the debts put on hold before 1st January 2017.

Note: If you have unexplained offsets against a current BAS refund, please contact us in case we can have the ATO remove the offset.

Supporting Students

The budget proposes to introduce measures so that indexation of the Higher Education Loan Program (HELP) debt will be limited to the lower of either the Consumer Prices Index or the Wage Price Index with effect retrospectively from June 1st 2023.

It also applies to "other students' loans". Presumably, this measure will help lower the cost-of-living burden on younger Australians.

Last Minute Year End Tax Tips



Before 30th June (where applicable)

- Defer income.
- Make prepayments.
- Clean up and repay those company 'loans' so they are not deemed unfranked dividends.
- Review bad debts.
- If it's business or work-related, deduct it – purchase anything you need before 30th June. An immediate deduction \$20,000 for SBEs and \$300 for employees.
- Donations (must be to Deductible Gift Recipients (DGR's)).
- Review obsolete stock during your end of year stocktake.
- Accrue legitimate directors' fees or employee bonuses.
- Shareholders – Make sure that loans are set up properly or repaid by the end of the financial year. Otherwise, company business owners could end up with a deemed dividend and some unexpected tax.
- Make a Super Contribution!! (as per front page).

Motor Vehicle Expenses

REMINDER:

Ensure that you are getting the best car claim possible. Complete a Logbook and keep records of all expenses for the year. Have you got your logbook ready?*

Motor Vehicle expenses that can be claimed against your income if you complete your logbook are:

- Car Financing/ Purchase Details
- Car Washing
- Car Accessories
- Fuel & Oil
- Insurance
- Registration
- Repairs & Maintenance
- RACV membership or Roadside assistance
- Tyres & Batteries

Other associated expenses:

- Parking
- Toll Fees

*These expenses are claimed at your business/work %

** Your logbook must cover a period of at least 12 continuous weeks in a financial year and lasts for 5 years, unless your circumstances have changed, or your work/business percentage has changed.

Medicare Levy Surcharge

Don't get caught out next year!!

If your income is over \$93K for singles or \$186K for couples and you do not have Private Hospital Cover you will be hit with the Medicare Levy Surcharge.

NOTE: *It's already too late for this financial year.*

GET IN QUICK

Get Private Hospital Cover before June 30 and you shouldn't have to pay the surcharge in future years. Also it's a good idea to enter into cover before you turn 30 to avoid paying the lifetime loading penalty.

Accounting Systems

Please note that we are able to offer sales and support in both Reckon and Quickbooks software. Please contact the office for further information.

Reckon  Accounts

 **intuit**
QuickBooks.
Online



If you require assistance with any of this, please call
(Ph) 5429 6680 or email us at

email@backtobusiness.net.au.

Otherwise, we look forward to seeing you soon!