

# THE FINANCIAL STATEMENT

ECONOMIC, ACCOUNTING, INVESTMENT, TAXATION AND BUSINESS NEWS

St. Clair partners JOHN STEWART, MILLER PARTNERS

Chartered Accountants, Tax Agents, Auditors and Business Advisers

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Where Wealth Creation Happens

[www.stclairco.com.au](http://www.stclairco.com.au)

35th YEAR OF PUBLICATION

St. Clair partners established 1970

JOHN STEWART, MILLER PARTNERS established 1919

## IT'S TAX TIME



Paul St. Clair,  
F.C.A., Dip. Fin. Services

Now is the time to get your affairs to us. You may have a refund, but whichever it is getting it complete and lodged is a great relief. We are here to work with you until it is complete. So do telephone us on 02 9221 4088.

### PERSONAL TAX RATES 2015

Income up to \$18,200:	Nil
\$18,201 to \$37,000:	Nil +19% over \$18,200
\$37,001 to \$80,000:	\$3,672 + 32.6% over \$37,000
\$80,000 to \$180,000:	\$17,647 + 37% over \$80,000

### THE AUSTRALIAN ECONOMY

We expect growth in 2015 of 2.4 percent, rising to 2.9 percent in 2016.

### WORKING OVERTIME

The Fairwork Commission has advised that employees may take time off instead of being paid overtime.

### SUPER CONTRIBUTIONS - EMPLOYEES

Minimum rate 9.5% for 2015 year

### COMPANY TAX RATE

For small business from 1 July 2015, 28.5% otherwise 30%

### FULL DEDUCTION FOR DEPRECIABLE ASSETS

For small businesses costing less than \$20,000 from 12 May 2015.

### CAPITAL WORKS & ALLOWANCES

These may be big tax deductions. Don't miss out - do contact us.

### NSW PAYROLL TAX (PRT)

Should annual wages etc, exceed \$750,000 for the 2015 and also 2016 years registration for PRT is required.

### CLOUD SYSTEMS

Web-based accounting software is proving very popular for small business. Benefits include having your information stored securely

online and being able to access, add to or change the information from any device connected to the internet from anywhere in the world. Some systems available are Xero, MYOB Live Accounts, Quick Books Hosted.

### SUPER CLEARING HOUSE

A simple way to meet employee's superannuation obligations and reduce administration burdens with 19 or less employees, contributions can be securely made electronically through the Small Business Superannuation Clearing House. A free service courtesy of the Australian Government.

MAREK STUPALSKY has now joined our firm. He is a Chartered Accountant, tax agent with a diploma in Strategic Business Management and Financial Reporting. Educated in Switzerland and Australia, speaks fluent English, French and conversational Czech, and has over 15 years experience in accountancy in Australia.



ISSUE No. 117 Mid-year, 2015

### Recent Assignments undertaken by the St. Clair partners Team include:

- We are presently engaged in preparing financial statements, tax returns, auditing companies and superannuation funds and regular bookkeeping work.
- Preparation of clients' quarterly Business Activity Statements.
- Advising on year-end taxation strategies, including tax changes effective for the 2016 year.
- Attending to overseas clients taxation and business activities in Australia.
- Advising on buying a business, valuation and negotiations.
- Assisting with administration of the estates of deceased clients.
- Working on an excess superannuation contributions assessment.
- Registering business names on the National Register.
- Negotiating with the Taxation Office in relation to tax debts and penalty notices, and for extensions of time for lodgement and payment.
- Advising a client on tax issues on taking up a position in a UN agency.
- Consulting in regard to the establishment of the most appropriate business structure.
- Managing clients' exposure to Division 7A.
- Advising an overseas client on Australian tax considerations, residency, permanent establishment and applying for a reverse Goods and Services registration.
- Registering a group of new taxpayers for Tax File Number (TFN), Australian Business Number (ABN), Goods and Services Tax (GST) and Pay As You Go (PAYG).

## WHAT WE NEED TO PREPARE YOUR TAX RETURN

Whilst gathering your tax information for preparation by us, you may like to check the undermentioned items to see if you have included them in your summary of information. Although the following list is not exhaustive, it will serve as a useful guide.

### ASSESSABLE INCOME

- PAYG Payment Summaries
- Interest and royalties
- Business/Partnership – income and expenses
- Commissions received
- Trust income
- Parenting Allowance and Leave payments received
- Allowances, benefits, earnings, tips and directors' fees
- Dividends, including imputation details
- Share transactions (full details)
- Rent received
- Sale of any asset where the asset was acquired after 19th September, 1985
- Termination payments received (with accompanying documents)
- Social Security benefits received
- Pension/Annuity payments

### REBATES

- Spouse and dependants (subject to any amount of Parenting Allowance received)
- Sole Parent
- Net Medical expenses (over \$2,218 in total, indexed annually, if claimed in the previous year, and subject to other eligibility criteria)
- Franked dividends

### ALLOWABLE DEDUCTIONS

- Advertising
- Bad debts (written off during the year)
- Bank charges applicable to earning income
- Business Expenses
- Commissions paid
- Convention/Seminar expenses
- Contributions to approved superannuation, provident or retirement funds, (generally non-employees)
- Donations & gifts over \$2.00 (approved)
- Education expenses - for income producing purposes
- Film investments
- Home office expenses
- Income Protection Insurance premiums
- Insurance premiums (business)
- Interest on borrowings for business or income-producing purposes
- Leasing costs
- Legal expenses (in certain cases - full details)
- Losses of previous years
- Losses from theft, fraud, embezzlement etc deductible in the year the loss is discovered
- Motor vehicle expenses (including business use proportion and log book if applicable)
- Newspapers essential to your business
- Plant, furniture, fittings, motor vehicles etc, subject to depreciation (limited to \$57,466 for a vehicle purchased during the 2015 year)
- Purchases for resale
- Rates and taxes on income producing property
- Repairs to income producing property (not alterations, additions or improvements)
- Stationery, postage, printing costs
- Subscriptions to trade, business or professional associations
- Sun protection, where exposure is a risk
- Tax agent fees, accounting and audit fees
- Telephone expenses applicable to the earning of assessable income
- Tools of trade
- Wages and salaries
- Travelling expenses (including overseas trips, with details)

### OTHER

- Trade creditors (at 30th June, 2015, listed under suitable headings)
- Trade debtors (at 30th June, 2015)
- Depreciable assets acquired – for each asset, cost and date of acquisition
- Private Health Insurance - rebate and surcharge details required, and Fund membership number (Annual Taxation Statement)
- Stock value at 30th June, 2015 (valued at cost or market replacement value)



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Edited by Paul and Linda St. Clair.

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