



## LAST MINUTE TAX PLANNING!

*Tax planning has a complex and limited application but there are some basic things you can do to help lower or defer your tax burden.*



### **MUST BE DONE PRIOR TO JUNE 30 TO BE EFFECTIVE**

A.	<p><u>Pay employee superannuation</u></p> <p>Employee superannuation payments are required to be <b>received by the super fund before June 30</b> to obtain a tax deduction this financial year. (You are required to pay employee superannuation before July 28 regardless, so why not get a tax deduction a year earlier). Superannuation guarantee is calculated at 9% of ordinary time earnings (OTE).</p> <p>The superannuation guarantee MUST be paid quarterly.</p>	<input type="checkbox"/>
B.	<p><u>Write off all bad debts.</u></p> <p>It is important that bad debtors physically be written out of the ledger to be deductible. This does not mean that you cannot continue to chase them.</p>	<input type="checkbox"/>
C.	<p><u>Count and value stock on hand.</u></p> <p>Scrap and write off any obsolete stock. Calculate total GST included in stock.</p>	<input type="checkbox"/>
D.	<p><u>Plant and equipment (review)</u></p> <p>Review last year's depreciation schedule and advise us of any items scrapped or sold. The schedule is an attachment to your financial accounts.</p>	<input type="checkbox"/>

E.	<u>Motor vehicle logbooks</u>  Logbooks need to be re-done every five (5) years. Logbooks must be less than 5 years old. They are also needed for GST & FBT purposes. Record your odometer reading at June 30.	<input type="checkbox"/>
F.	<u>Staff bonuses + directors fees</u>  If staff bonuses and/or directors fees are to be paid for the year ended June 30, the business must be definitively committed to these payments. <i>Please contact our office if you are considering this strategy.</i>	<input type="checkbox"/>

## TAX PLANNING STRATEGIES

Consider:

(I) Undertaking purchases prior to June 30: e.g. Repair vehicles, equipment and buildings, if necessary purchase: <ul style="list-style-type: none"> <li>- Stationery and consumable items (not held for resale)</li> <li>- Uniforms</li> <li>- Seed fodder fertilizer (Primary Producers)</li> <li>- Small capital items less than \$1,000 (SBEs Only)</li> </ul>
(II) Maximise superannuation contributions for yourself and family members. Check with us regarding contribution limits or benefits of co-contributions and spouse contributions. Note that excess contributions are subject to additional taxation.
(III) Prepaying next year's expenses. Only available to SBE taxpayers for amounts exceeding \$1,000.

(IV) Defer assessable income e.g. defer invoicing/collecting until after June 30.

**(Not applicable if you are selling stock or materials. You must also consider the impact of GST on you and your customers/clients)**

(V) For non-SBE taxpayers, assets purchased for less than \$1,000 can be pooled for accelerated depreciation.

(VI) Employees can salary sacrifice superannuation, motor vehicles, laptop computers, mobile phones and other tax deductible expenses.

*Finally, this is **general information only**. You should **seek specific advice** before using any of the strategies outlined above.*

# HAPPY NEW FINANCIAL YEAR!

**The above information is for general information only.  
Specific advice should be obtained before application of the strategies.**

*Liability limited by a scheme approved under Professional Standards Legislation*