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Summer 2011

Wishing you all a very Merry Christmas and a Happy New Year!

May you and your families have a safe, happy and fun Christmas. Thank you for your patronage, once again, in 2011 and we look forward to providing you with our best of service in 2012.
Best wishes from all of us here at GLR.

CHRISTMAS CLOSING DOWN PERIOD

N.B the office will be closed from 5pm Thursday 22nd December to 8.30 Monday 9 January

Save Tax \$\$\$ Why not donate?

If you are looking for a way to reduce your tax bill, then try this. It will also help those in need at the same time. So in the Christmas spirit, what better time to give to those in need. **GLR** donate to various Charities, throughout the year, and as usual at Christmas, also to **World Vision**, to help buy 15 School Kits for children overseas. We hope that education will provide them a better future and to break the poverty cycle.

This is also in response to all those who agreed to us sending these newsletters via email, which saves printing, postage and paper. This also helps the environment. Thank you. ☺



ATO DEFAULT ASSESSMENTS

Recently, the ATO have started assessing business non lodgers on an estimated income based on lodged BAS forms plus a 75% penalty. It is then up to you to show records to prove otherwise. So it is important to always keep good tax records and stay up to date with your tax returns.

ACT LAND TAX

You may have seen the article recently on the front page of the Canberra Times on ACT land tax evasion. So just to clarify how it works in the ACT. Land Tax is liable on any rental property that is rented as of the start of a quarter eg.1 July, (not if vacant) it is up to you to register with ACT revenue. Most Agents will advise and assist with this. The rate ranges from 0.6% to 1.4% of land value. For more info see the ACT Revenue Office website www.revenue.act.gov.au/land_tax/general_information

NSW Land Tax Reminder

For the 2011 year, the threshold for properties in the NSW liable for Land Tax is \$387,000 and the rate is 1.6%. So if you have rateable land with a value over this amount, then you will need to register. It is not automatic, but if they find you first, penalties will apply. See the NSW Revenue Office website at www.osr.nsw.gov.au/taxes/land/

LODGING TAX RETURNS

Please bring in your information ASAP if you have not lodged your 2011 and prior tax returns.

Due 16 May.

MYOB CLOUD is coming!

For those of our clients on MYOB and/or Banklink, an exciting new product from MYOB is coming. This "cloud" concept of data storage is the next big thing. It enables us to work together from our different locations. No sending in discs or usb's. We just log on from our office as if we are in your office. We can then read the data we need and make the needed changes at the end if you want. The expected launch will be in March 2012.

So watch this space.



Family Tax Benefit Claims

The only way to claim is directly from the Family Assistance Office (FAO) or Centrelink. If you are already receiving fortnightly payments FAO will automatically determine your entitlements. **If you wait to receive as a lump sum, this is no longer automatic via your tax return.** You will need to lodge a lump sum claim form after we lodge your tax return **each year.** This can be done via AFO's online services on their website www.familyassist.gov.au

NB: if you get 2 years behind they will cancel your benefits.

New Super Contribution Rules!

- Under 50 years - \$25,000 p.a
- Over 50 years - 50,000 p.a (until 2012)
- Over 50 years- after 1 July 2012 \$25,000 p.a (unless your super balance is under \$500,000)

So you need to review your current Salary Sacrifice amounts, because if you are over the cap, excess tax of 31.5% will apply, on top of the 15% already applied.

That's 46.5% tax.

Also, keep in mind that your 9% employer contribution is included, and for Public Servants, the Productivity component is included in the cap (around 2% of salary)

DIY Superfund's (SMSF)

Yes we do provide this service

More and more people are finding that setting up your own Super Fund is a good idea. Usually, this is the case when leaving the Public Service but can be beneficial in other circumstances also.

The Benefits:

1. Control of your own money.
2. No management fees, or at least reduced.
3. More flexible investment strategies.
4. Lower cost structure.

If you are interested in setting up your own fund, please call us to discuss it in more detail.

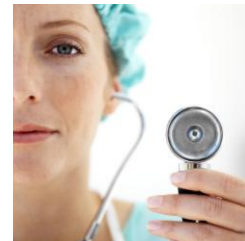
Medical Rebate

A 20% rebate is available on the net medical expenses your family pay per year, over \$2,000.

Eligible medical expenses include:

- Chemist prescriptions
- Optical cost (including Lasic surgery)
- Physiotherapy
- Nursing Hostel Costs (approved facilities)
- Normal Doctor/Hospital costs
- Dental (including braces)
- Medical aids (artificial limbs, eyes, hearing aids, wheel chairs etc)

NB. For the 2010/11 tax year, the threshold has increased from \$1,500 to \$2,000. And will increase by CPI from now on.



The Education Tax Refund

Only applies if you are eligible for FTB Part A.

Different levels apply for Primary (\$397) & Secondary students (\$794) for 2010/11. You are entitled for 50% of eligible expenses, which included computers, internet connection, education software & textbooks.

NB. Uniforms are now included from 1 July 2011.

