

MARCH 2018 UPDATE

ATO Focus

- ✍ This financial year the ATO's main focus is on small businesses and individuals. In the past few years their focus has been on the large business sector and multinationals.
- ✍ Unpaid superannuation, undeclared income and wrongly-claimed expenses are key targets of the hit list.
- ✍ Unexplained wealth (for example reported income of \$70K but 3 children in private schools, business flights overseas on a regular basis) is often used to indicate undeclared income. The ATO sources information from various government departments to verify if declared income stacks up.
- ✍ Wrongly-claimed expenses include private expenses claimed as business expenses and expenses that can't be proven to be work related.



Taking control of your RECEIPTS!

You can now scan receipts and invoices and have them convert into expenses in your Accounting Software. This saves time and means no more shoe boxes! **Receipt Bank** and **Squirrel Street** are two such providers.

Small Business Superannuation Clearing House (SBSCH)

On 26 February 2018 the Small Business Superannuation Clearing House (SBSCH) service joined the ATO's online services Business Portal.

To access the new system, you will need an AUSkey or to manage ABN Connections via myGov.

If we already use SBSCH on your behalf, this will continue through our online channel. If you are a sole trader or employer, you will need to register through your myGov account and link to online services. If you are looking at alternatives to using SBSCH you may also contact your super fund.

Sir Richard Branson's tips for business success

- ❖ Look after your staff
- ❖ Don't take on too much – learn from the art of delegation
- ❖ Keep your customers front of mind – always
- ❖ Hire people who fit your culture
- ❖ Don't be afraid to try new things
- ❖ Try, try and try again

myGov

If you have a myGov account, it is now used for correspondence by the ATO. Documents such as your Notice of Assessments, letters and statements are sent via this method. **However, you should nominate to receive an email notification to know when correspondence has been issued!**

Information contained herein is of a general nature only.

Anyone seeking to apply the information should seek professional advice to verify it applies to their situation.

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Homing in on Holiday Homes

The ATO have identified areas where holiday homes in popular holiday destinations around Australia, where deductions are being claimed even where the property isn't available for rent or genuinely being rented out.

Tax deductions should only be claimed for the period when the home is rented out or genuinely available to rent.

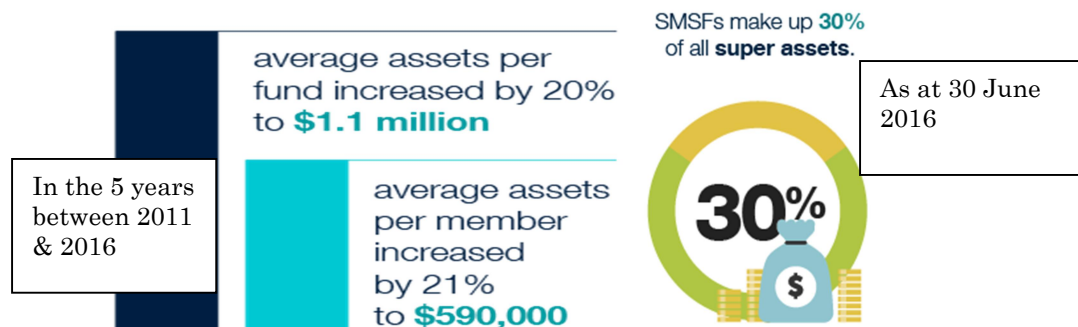
Ask yourself the following questions before you claim expenses for your rental property to define if it is genuinely available for rent:

- 📖 How do you advertise your rental property?
- 📖 What location and condition is your rental property in?
- 📖 Do you have reasonable conditions for renting the property and charge Market rate rent?
- 📖 Do you accept interested tenants, unless you have a good reason not to?



Self-Managed Super Funds

As of September 2017, close to 600,000 self-managed super funds (SMSFs) are now in operation, managing \$696.7 billion in assets as at 30 June 2017, according to the statistics released by Australian Prudential Regulation Authority (APRA) and the ATO. SMSF's are a flexible option for managing your super where you can control the investments. Please contact us if you would like further information.



Due Dates for 2017 Lodgements *

Companies 15th May 2018 | Individuals and Trusts 5th June 2018 | Self Managed Super Funds 2nd July 2018

If you haven't already, please contact us to organise preparation of your 2017 work.

* These are due dates for most returns where lodged by us. If you have a different due date we will contact you to advise you of that.

If you have any questions or would like further clarification of any of the items contained within, please do not hesitate to contact us. A referral is the greatest compliment we can receive - we welcome all referrals so if you know of anyone who may need our assistance, please pass on our details. *Regards David & the IAS team*

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