

It's that time of the year again!

Another tax year has come and gone which means it is that time of year again to start putting together the information for your income tax returns.

Once you have gathered your information, please do not hesitate to give bTa a call to organise an appointment so we can attend to the preparation of your income tax return.

Alternatively, please do not hesitate to call bTa if you require assistance in putting together your information.

The bTa difference – providing your point of view.

The BTA Team

Reminder of Lodgement Dates

21 July 2012 June 2012 monthly activity statement
28 July 2012 June 2012 quarter superannuation guarantee contributions
14 August 2012 PAYG payment summary report
21 August 2012 July 2012 monthly activity statement
25 August 2012 June 2012 quarter activity statement
31 August 2012 TFN report for closely held trusts
21 September 2012 August 2012 monthly activity statement

GIC and SIC rates for quarter ended 30 September 2012

The ATO has advised that the General Interest Charge (GIC) and Shortfall Interest Charge (SIC) rates for the period 1 July 2012 to 30 September 2012 are as follows:

- GIC rate –10.66%
- SIC rate –6.66%

Recognising tax avoidance schemes

In the lead up to tax time, certain tax effective schemes may be brought to your attention in respect of minimising tax.

It is important to consider what level of risk you are prepared to accept and what processes you have in place to protect you from inadvertently contravening the promoter penalty laws.

There are a myriad of schemes that the ATO is aware of. The penalties range from warnings to legal action depending on the severity and complexity of the scheme.

Please contact our office to discuss the ramifications of such schemes before entering them.

Fuel tax credit rates are changing from 1 July 2012

From 1 July 2012, fuel tax credit rates have changed. You may be affected by one or more of the following rate changes relating to:

- liquid fuels (for example, petrol or fuel oil) used in some off-road business activities
- the introduction of a carbon charge
- heavy vehicles travelling on a public road
- gaseous fuels (for example, liquefied petroleum gas [LPG])
- some blended liquid fuels.

The new rates and definitions for each type of fuel are long and complex.

As always, please consult our office should you have a query concerning which type of fuel your use comes under and the rate applicable.

Government's Phoenix Legislation and its implication for company directors

Recent legislation aimed at reducing "phoenix" activity could have significant implications for Australian company directors.

Phoenix activities occur when a company uses liquidation as a means of avoiding its financial obligations, such as debts and employee entitlements.

Phoenix companies accrue debts until becoming insolvent; the directors then rise from the ashes to start a new company. Usually the new company has a very similar name to the abandoned one, presumably to carry on business with existing customers, free of debt. It's a barefaced strategy to avoid debt by exploiting the laws around limited liability for directors.

With the practice becoming more widespread, proposed laws may make directors think twice about taking this route in future. According to the Australian Taxation Office, there are about 6,000 phoenix companies in Australia and between 7,500 to 9,000 directors who would have personal liabilities under the new legislation. All up, they may be liable for taxes and penalties in the region of \$250 million.

For further details please consult our blog on this topic at <http://www.btavantage.com.au/bta-vantage-blog/The-Government-s-Phoenix-Legislation-and-its-Implications-for-Company-Directors.html>

Business budgeting for SMEs

Budgeting lies at the foundation of SME business planning. A sound budget will assist you to plan growth and cost new opportunities, provide a snapshot of business performance, and will help you cope during downturns by identifying cost savings and efficiencies.

Yet despite the benefits, a large proportion of Australian SMEs don't use formal budgets in their business planning.

For further details on the benefits of budgets for SMEs, please consult our blog at <http://www.btavantage.com.au/bta-vantage-blog/Business-Budgeting-for-SMEs.html>

Tax deductions for property investors – the can's and can not's

It's a perennial question amongst new and existing property investors alike, and one you've no doubt asked at some stage: what can you deduct?

BTA have teamed with CPS Property to discuss this in length. For further details, please consult our blog at <http://www.btavantage.com.au/bta-vantage-blog/Tax-Deductions-for-Property-Investors-a-the-Cana-s-and-Can-Nota-s.html>

Time to get year end finances in order

The 2011/12 financial year has come and gone, and that means our attention shifts from planning to execution, to help ensure you're not paying more tax than you should.

Whether you've got a shoe box full of receipts, or your records are perfectly in order, you need to be careful you provide us with the right information so we can maximise your tax position.

If you're closer to the shoebox scenario, it's times like these you may appreciate the benefit of keeping your paper work in order throughout the year.

If you're a small business owner, now may also be an ideal time to think about a formal business budget, since you'll probably be trawling through your records in any case

For more details on this topic, please consult our blog at <http://www.btavantage.com.au/bta-vantage-blog/Time-to-get-year-end-finances-in-order.html>