

Reminder to lodge outstanding prior year income tax returns

The due date of 31 October 2012 applies to 2012 returns for clients operating on a standard year (not a substituted accounting period), with one or more prior years overdue as at 30 June 2012.

If all overdue prior year returns are lodged by 31 October 2012, your 2012 income tax returns will be due according to your normal lodgement program.

You won't need to apply for a deferral of the 2012 return, provided all overdue prior years are lodged by 31 October 2012.

Overdue prior year returns may incur penalties and interest when lodged.

The bTa difference – providing your point of view.

The BTA Team

Reminder of Lodgement Dates

21 October 2012 September 2012 monthly activity statement
28 October 2012 September 2012 quarter superannuation guarantee contributions
31 October 2012 Income tax returns for all entities where one or more prior years were outstanding as at 30 June 2012
21 November 2012 October 2012 monthly activity statement
25 November 2012 September 2012 quarter activity statement
21 December 2012 November 2012 monthly activity statement

GIC and SIC rates for quarter ended 31 December 2012

The ATO has advised that the General Interest Charge (GIC) and Shortfall Interest Charge (SIC) rates for the period 1 September 2012 to 31 December 2012 are as follows:

- GIC rate – 10.62%
- SIC rate – 6.62%

Dependent spouse tax offset phase-out

From 1 July 2012, if you have a dependent spouse born on or after 1 July 1952, they may no longer be entitled to claim the dependent spouse tax offset. The offset is being gradually phased out as the population ages.

On 28 September 2012, the ATO will send letters directly to you, to make you aware of the change. Where the ATO does not have a residential address for you, the letter will be sent to BTA.

If you are claiming the offset through reduced amounts withheld from your salary and wages, you should increase your withholding rate now in order to avoid a possible debt.

Concessional super contributions for people aged 75 plus

The ATO recently wrote to affected people to let them know that the super concessional contributions cap is \$25,000 for everyone - regardless of their age.

However, for members aged 75 or older, super funds can still **only** accept mandated employer contributions. The change to the concessional cap does **not** mean that their funds can accept other contributions.

The contributions cap for concessional (deductible) contributions for people aged 50 and over will be halved to \$25,000 from 1 July 2012.

With this in mind, we thought we'd provide a revision of the contribution rules, and outline some of the traps you need to watch to avoid falling foul of the penalty interest rules.

For further details please consult our blog at <http://www.btavantage.com.au/bta-vantage-blog/Super-Contribution-Limit-Changes-a-and-How-to-Avoid-the-Penalties.html>

Staffing for start ups – why you can't afford to get it wrong

If you're like most new business owners, you're probably head down and focussed on running your new enterprise. When it comes to staffing, that simply means getting people in the door to help your new venture grow, right?

Unfortunately, too often the right staffing strategy is overlooked by start-ups in favour of rushing out to hire. It's something we see across a range of industries, and it could result in problems for your company down the track.

In our experience roughly 30% of income goes towards staffing. Provided you get your staffing strategy right, you'll ensure that 30% of your income is very well spent.

While there's plenty of things to think about when starting a business, don't let staffing fall by the wayside. Giving short shrift to staffing issues might simply cause bigger problems down the track.

For further details please consult our blog at <http://www.btavantage.com.au/bta-vantage-blog/Staffing-for-Start-ups-a-Why-You-Can-t-Afford-to-get-it-Wrong.html>

Contractors and workers' compensation – the importance of knowing who you are hiring

Many businesses owners will tell you the major challenge of managing people is not necessarily the individuals themselves, but the rules and regulations governing a company's obligations to its staff.

A classic example is the laws governing workers' compensation insurance and superannuation payments for contractors.

If you're nodding your head in agreement, you won't be alone. We've noted a marked increase in audits in this area, with businesses being penalised for misinterpreting their obligations towards sole trader contractors in particular.

For further details please consult our blog at <http://www.btavantage.com.au/bta-vantage-blog/Contractors-and-workers-compensation.html>

School kids bonus arrives in 2013

The federal government's assistance for families with schoolchildren will continue in a different form in 2013.

The old Education Tax Refund (ETR) was replaced in the 2012 budget by a new payment called the Schoolkids Bonus. It is ostensibly the same thing as the ETR – a payment to help families meet school expenses – however it works in a different way, and overall it represents a better deal for those parents who qualify.

How does this affect you? Consult our blog for further details at

<http://www.btavantage.com.au/bta-vantage-blog/Schoolkids-Bonus-arrives-in-2013.html>