



# TAX TIME

**Its tax time again! Below is a reminder of what to bring to your appointment...**

- Annual Tax Statements from your **investments** - these may not arrive until August.
- Annual statement from your **private health fund**
- *Centrelink* Statements
- Completed worksheet - **see page 3**
- Dependent children's income
- Dividends received
- Details of shares received under an **Employee Share Scheme** – must now be reported in your tax return.
- **Education Tax Refund** – receipts from expenditure relating to primary and secondary schooling.
- **Interest received** from banks and/or other financial institutions.
- List of Income Tax **Deductions** including receipts for larger items - for example - laptops – **see page 2**
- **Medical Expenses** - annual *summary of claims* can be obtained from Chemist, Medicare and your Health Fund
- Share sales
  - date of purchase and purchase price
  - date of sale and sale price
- Settlement Statement(s) for the purchase and sale of land and/or houses - **not your main residence**
- Spouse's taxable income
- Your PAYG Payment Summaries – **Group Certificates**

## On the inside...

- Checklist of possible income tax deductions
- 2010/11 Tax Schedules
- Paid Parental Leave
- Minor's Income
- Insurance Review



## Checklist of possible income tax deductions

- Brief Case
- Calculator
- Computer Accessories – for example, flash drives, anti virus software
- Conference Costs
- Diary Purchase
- Donations
- Income Protection Insurance
- Interest on equipment or investment loans
- Internet Costs
- Km's travelled to Tax Agent
- Laptops
- Medical Expenses - if "gap" amount paid is greater than \$2,000.
- Mobile Phone - % of work related use
- Motor Vehicle Expenses - % of work related use
- Organisers
- Protective Clothing
- Reference Books
- School Building Fund (if voluntary)
- Self-Education Costs directly related to your job
- Stationery
- Subscriptions to Professional Bodies
- Sun Protection
- Superannuation Contributions
- Tax Agent Fees
- Telephone Expenses - % of work related use
- Tools of Trade
- Uniforms
- Union Fees

IF YOU ARE CLAIMING a portion of any expense (eg. mobile phone, computer) you should keep a log-book for one month detailing the proportional split between private and business use.

## BUSINESS OWNERS

### - What to bring

- Copies of BAS statements and Instalment Activity Statements
- Details of equipment and motor vehicles purchased or sold during the year
- Any loan agreements from banks or finance companies for business loans
- Your reconciled cashbook or computer disk/flash drive with program details
- Bank statements including any loan statements – check that you have them all
- List of amounts and people who owe you money as at 30 June - **Debtors**
- List of who you owe money to and amounts as at 30 June - **Creditors**.
- Value of stock on hand as at 30 June - at cost
- Chattel Mortgage Documentation including Tax Invoice for the asset purchase.

**Important note** - businesses with turnover (income before expenses) less than \$20,000 that make a loss cannot offset that loss against the owner's salary and wage income. Instead, the loss gets carried forward and is offset against profits in future years.

## Fun Tax Facts

12.3 million people lodged tax returns in the 2009 income year.

Imagine 12.3 million individual taxpayers as 100 people:

- 24 were blue collar workers
- 38 were white collar workers
- 14 came from the service sector
- 24 didn't specify their occupation or had no occupation.
- 38 people donated to charities and then claimed deductions.
- 4 people declared capital gains.
- 10 people received the government super co-contribution.
- 8 people operated a business as a "sole trader"

Source: Australian Taxation Office



## Interest Schedule

Name of Bank	Account Holder (Individual name or joint)	Amount of Interest (1 July 10 - 30 June 11)

## Dividend Schedule

Name of Company	Unfranked Amount	Franked Amount	Imputation Credit

## Motor Vehicle Expense (rate per km method)

Vehicle Make \_\_\_\_\_ Registration No. \_\_\_\_\_ Engine Size \_\_\_\_\_

Purpose of Journey	Km's Travelled
<b>TOTAL</b>	<b>km</b>

## Motor Vehicle Expense (Log Book method)

Note: A new log book is required every 5 years or earlier if circumstances change.

Vehicle Make \_\_\_\_\_ Registration No. \_\_\_\_\_ Engine Size \_\_\_\_\_

Odometer 1-7-10 \_\_\_\_\_ Odometer 30-06-11 \_\_\_\_\_ % of business use (from log book) \_\_\_\_%

### EXPENSES

Registration \$ \_\_\_\_\_  
Insurance \$ \_\_\_\_\_  
Fuel \$ \_\_\_\_\_  
Repairs \$ \_\_\_\_\_  
Tyres \$ \_\_\_\_\_

RAA \$ \_\_\_\_\_  
Lease Cost \$ \_\_\_\_\_  
Loan Interest \$ \_\_\_\_\_  
Cleaning \$ \_\_\_\_\_  
Service \$ \_\_\_\_\_

## Rental Property

Rent Received \$ \_\_\_\_\_  
Interest Paid \$ \_\_\_\_\_  
Council Rates \$ \_\_\_\_\_  
Water Rates \$ \_\_\_\_\_  
Gardening \$ \_\_\_\_\_  
Land Tax \$ \_\_\_\_\_

Repairs \$ \_\_\_\_\_  
Travel \$ \_\_\_\_\_  
Insurance \$ \_\_\_\_\_  
Strata Fees \$ \_\_\_\_\_  
Agent Fees \$ \_\_\_\_\_  
Other \$ \_\_\_\_\_





## Paid Parental Leave

Eligible working parents of children born or adopted on or after **1 January 2011** may get 18 weeks Government-funded pay at the National Minimum Wage – currently \$570 a week before tax – to help them care for a new child.

New parents now **have a choice** between this new entitlement and the existing Baby Bonus. Once a choice has been made and payments commenced, it cannot be changed.

To learn more about Paid Parental Leave visit the website – [www.australia.gov.au/paidparentalleave](http://www.australia.gov.au/paidparentalleave) or call the Family Assistance Office on 13 61 50.

## Minor's Income

As of 1 July 2011 children aged under 18 can only earn \$416 per year from “unearned income” – interest, dividends, trust distributions.

Any “unearned income” greater than \$416 is taxed at high tax rates.

Income earned from *Salary and Wages* is taxed at normal rates and tax on this type of income can be also offset by the Low Income Offset.

## Our Fees

The fees to complete personal tax returns will start from **\$148.50 (inclusive of GST)**. A higher fee will apply for more complex tax returns. For example, capital gains tax calculations, motor vehicle expenses, tax offsets, depreciation, multiple dividends, small businesses, rental properties etc.

## Hours of operation

During the tax season (July, August and September) our opening hours will be:

Monday to Thursday	9am - 8pm
Friday	9am - 5pm
Saturday	9am - noon

## Insurance Review

***If you have a Life, Disability, Income Protection or Trauma policy and have not had it reviewed in the last 3 years it is likely that we are able to improve the level and quality of your cover for a lower cost.***

In part, this is because insurers are constantly upgrading policies to remain current with medical advances.

Further, as we act as a **broker** and are not tied to any individual insurer, we are able to select the most beneficial product available in the market for your individual needs.

You have nothing to lose because if we can't give you better cover at the same price or the same cover for a lower price then you don't have to change anything. This service is **free** to you as a client of *Sheridans*.

**John Menelaou** - who has recently joined us as our in-house Risk Insurance specialist - will be happy to review your policies for you.

He has over 20 years insurance experience and has already reviewed 25 *Sheridans* clients in the last 3 months – these clients now have better protection and for many at a lower cost.

**To take advantage of this no-obligation free service please contact John by the 31<sup>st</sup> July on 8376 0455.**



*“Helping you become financially well organised”*

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