

NEWS

Dear Valued Client,

We are pleased to supply you with our next edition of Business News, which contains a number of important developments in taxation. If you have any queries, please do not hesitate to contact either **Laura Carnevale** or **Lina Guo**.

June 2014

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The end of the financial year is coming!

The end of the financial year is coming and it's time to start thinking about your 2014 Income Tax Return. Now is a good time to start reviewing certain assets and liabilities owned by your business and consider if there is anything you should do prior to 30 June 2014 rolling around.

- Are there any bad debts to write off out of your receivables?
- If you have an outstanding investment loan, see if you can prepay some of the interest prior to 30 June 2014 (you will need to speak to your lender.)
- Are there purchases or disposals of assets you should make prior to the next financial year starting?
- Are there any bad debts to write off out of
- Are there any repairs and maintenance you should carry out prior to 30 June 2014

your receivables?

- Review your depreciable assets (capital allowances) register and write-off or dispose of any assets no longer used eg assets used in your business such as computer equipment, office furniture (eg desks and chairs) and kitchen appliances.
- It is also a good time to review things that you think about at the time you put them in place but don't otherwise turn your mind to – for example, see if you have the right mix of debt and equity funding for your business to carry you through to the next financial year.
- **IF YOU OPERATE THROUGH A PRIVATE COMPANY OR A SOLE TRADER -ENSURE THAT ALL THE EMPLOYER /SOLE TRADER SUPERANNUATION CONTRIBUTIONS ARE TO BE PHYSICALLY PAID INTO YOUR SUPER FUND BEFORE 30TH JUNE 2014 OR YOU WILL NOT BE ABLE TO CLAIM A TAX DEDUCTION FOR THE CONTRIBUTION. THERE ARE LIMITS AS TO HOW MUCH CONTRIBUTIONS CAN BE MADE-CHECK WITH YOUR ACCOUNTANT ABOUT THE LIMITS.**



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To do!

Your tax adviser is the best person to help you with these decisions as your tax adviser knows your business and has experience with other businesses similar to yours, they are able to offer you sound advice about how to best prepare your business for the start of the 2014-15 financial year.

Changes to measures that were to be funded by the mining tax

In previous editions of *TaxWise*, we mentioned that, as part of its pre-election promises, the Coalition would abolish the mining tax. The abolition of this tax also involves the wind-back of certain other measures including:

- The instant asset write-off amount of \$6,500 for small businesses – from 1 January 2014, the instant asset write-off will be reduced back to \$1,000; It is not yet law.
- The accelerated depreciation for motor vehicles that is available to small businesses – from 1 January 2014, this will no longer be available; and