

YOUR LODGEMENT OPTIONS FOR 2010



- Appointments* From July to October appointments are available between 9:30am and 4:30pm, Monday to Friday. If you would like your choice of appointment, please book early.
- Postal* As it is becoming an increasingly popular way of meeting your taxation obligations, we have again included our postal information pack this year. For those of you with busy lives why not take advantage of this system? But remember that this process is best suited to small individual taxpayers.
- In person* Why not simply drop your taxation records into our office. Our office staff will be happy to take your records at the front desk. If you have a quick question one of our team may be able to help you out or return your call when they are free.
- Email* You can also email your backup files and/or your taxation queries and information to our office. Our main email address is admin@byfordaccountants.com.au. Or you can email directly to any of our staff members as listed on this page.
- Fax* Please feel free to fax us your taxation papers on **9526 2867**.
- Mailbox* As a last resort we have a small secure mailbox situated near the gate of our premises should you wish to drop your information to us after hours.

OUR FEE STRUCTURE FOR 2010

Standard Tax Return	\$150
Standard Return with one Rental	\$200

(These prices are per tax return completed. Additional charges will apply for extra schedules & additional rental properties).

We have EFTPOS & Credit Card facilities available for your convenience.

We would once again like to Thank You for your continued support each financial year and extend a warm welcome to the new clients who will be taking up our services for the first time.

Should you have any queries or encounter any hiccups along the way please give us a call.

Yours faithfully,
The Team at Byford Accountants

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BYFORD ACCOUNTANTS
PO Box 181
887 South West Hwy
BYFORD WA 6122

Phone:
(08) 9525 4000

Fax:
(08) 9526 2867

E-Mail:
admin@byfordaccountants.com.au

or contact us individually

darren@byfordaccountants.com.au

claudio@byfordaccountants.com.au

natasha@byfordaccountants.com.au

william@byfordaccountants.com.au

narelle@byfordaccountants.com.au

sandy@byfordaccountants.com.au

annie@byfordaccountants.com.au

We're also on the Web!

Visit us at:
<http://www.byfordaccountants.com.au>

NOT OUT OF THE WOODS YET

As we come to the end of another Financial Year, it's a good opportunity to take stock of where we are at, and where to focus our attention for next year.

Australia has come through the Global Financial Crisis relatively comfortably, without the same level of stress as many other nations. Economic confidence has started to recover, and there are good signs for the direction of markets in the coming year, however we need to be careful not to become too complacent or over-confident.

The Australian dollar is currently experiencing significant fluctuations, due in part to the uncertainty in the Resources Sector as a result of the proposed Super Profits Tax. There is also some concern that we, as a nation, are highly financed – that is, our level of debt is much higher than ever before, with credit-card and home loan borrowing very high, as well as financing on such investments as rental properties and share portfolios.

Now is the time to reassess and consider whether you have the resources to cover your debt if another wave of financial under-performance occurs. Cash flow is, as always, an imperative factor in all financial dealings, and it is a good opportunity now to ensure there is enough leeway in your budget to tide you over in case of unforeseen circumstances.

We certainly don't want to sound like the voice of doom, but would like you to be as alert as possible, so that you are well placed to enter the New Year in a financially responsible position. Should you wish to discuss your situation, or look at your consolidation options, please contact us and we are only too happy to assist you where possible.

Together as a team, we are here to care for you in the year ahead.

YOUR TEAM

Darren Bonker FPNA – Accountant & Tax Agent
Claude Mirco FPNA – Accountant
Natasha Tims – Accountant
William Amoraal – Accountant
Sandy Jones B.Com – Accountant
Annie McKay NIA – Accountant

Narelle Harley – Administration Manager
Natasha Veldman – Reception



Individuals



MEDICARE SURCHARGE CHANGES

The government has increased the Medicare Levy Surcharge threshold for the 2010 tax year. If your income is below \$73,000 (for singles) or \$146,000 (for families), the Medicare Levy Surcharge will NOT be charged.

SALARY SACRIFICE

Increasingly, Salary Sacrifice arrangements are being entered into in an attempt to reduce both taxable income as well as tax payable for Australian Workers. The amount of salary which is sacrificed must be agreed upon BEFORE it is earned, and it must be taken out of your pay before you get it. This can be used for superannuation, tools of the trade, items primarily for work-related use, and cars.

If you already have an arrangement in place for superannuation contributions, you need to ensure that your contributions combined with your employers 9% payments do not exceed the reduced Contribution Cap, or you will be effectively taxed at 46.5% on excess amounts.

If you want any more specific information on whether a salary sacrifice arrangement could benefit you, please don't hesitate to contact us and we will endeavour to help.



ATO DELAYS

Don't forget to keep your school receipts so we can claim your Education tax offset

The Australian Taxation Office has now completed it's undertaking to upgrade their system – some delays and hiccups were experienced, but on the whole the work seems to have been completed.

For those of you whose refund was delayed, and were therefore paid interest, please be reminded that the interest must be included as income on this year's tax return.

If you wish further information on the upgrade, please visit www.ato.gov.au.



From 1st July 2010 the Medical expenses rebate threshold will increase to \$2,000

PERSONAL TAXATION

For the income year commencing 1st July 2010 the resident personal tax rates (excluding Medicare Levy) will be:

Current Taxable Income \$	Rate (%)	From 1 July 10 Taxable Income \$	Rate (%)
0 - 6,000	0	0 - 6,000	0
6,001 - 35,000	15	6,001 - 37,000	15
35,001 - 80,000	30	37,001 - 80,000	30
80,001 - 180,000	38	80,001 - 180,000	37
180,001 - +	45	180,001 - +	45



From 1st July 2010, the low income offset will increase from \$1,350 to \$1,500, which means you can earn up to \$16,000 without paying tax

DIRECTORS BEWARE

The Australian Taxation Office (ATO) is currently getting serious on collection of outstanding debts. One technique within their power is to issue a "Director's Penalty Notice" which can potentially render a Company Director to be personally liable for ATO debts outstanding. This is sent to the director's personal address recorded with ASIC – not the registered office of the company.

It is also extremely important to be aware that the Notice will be deemed to have been received by the Director, even if the address is not current, so it is imperative that ASIC is notified immediately of any address changes for Company Directors.

The appropriate action must be undertaken within **14 days of the date of the Notice** - there are no grounds for extension or appeal.



NEW BENCHMARKS TO TACKLE THE CASH ECONOMY

One of the most significant developments in the ATO's approach to tackling the cash economy is the development of small business "benchmarks" for different industries/trades.

More specifically, the ATO in collaboration with a number of trade associations, tradespeople and tax practitioners, have developed a range of "benchmarks" or "industry norms" that will enable trades and other businesses operating in cash industries, to assess their own tax risk.

To see how your business stacks up, visit www.ato.gov.au and find it on the "Businesses" tab.

THE CURTAINS CLOSE ON E-RECORD

After 10 years, the ATO has decided to discontinue upgrades and support for the free bookkeeping software, e-record. For those of you using this program, no further upgrades will be available.

As a substitute, we would recommend Cashflow Manager, as it is reasonably priced, and very easy to master.

Cashflow Manager has been awarded the 2010 Australian PC User magazine award for Best Cashbook Software and a special E-Record Transition Kit is being developed to make the changeover as painless as possible. For a FREE trial, you can pick up a demo disk from our office and see how simple this program can make your record keeping.

SUPER GUARANTEE CHARGE

Remember – you **MUST** pay your Superannuation Guarantee Charge 9% on behalf of your employees prior to the 28th day of the month following the end of each Quarterly Reporting Period. Should you miss this deadline, you will incur penalties, as well as lose the tax deduction for the contributions which were not paid.

