

December 2009

NEWSLETTER

YEAR TO DATE IN REVIEW

TCC Accounting Services wish our clients a very Merry Christmas and a prosperous New Year. The office will be closed from 12.00pm on Wednesday 23 December and will re-open at 9.00am on Wednesday 6 January 2010.



UPCOMING DATES TO REMEMBER

- **21 December 2009** - lodgement and payment deadline for Business Activity Statements for clients reporting for the month of November 2009.
- **21 December 2009** - lodgement and payment deadline for Instalment Activity Statements for clients who are on monthly reporting for Pay As You Go Withheld for employees.
- **21 January 2010** - lodgement and payment deadline for Business Activity Statements for clients reporting for the month of December 2009.
- **21 January 2010** - lodgement and payment deadline for Instalment Activity Statements for clients who are on monthly reporting for Pay As You Go Withheld for employees.
- **28 January 2010** - super guarantee - next quarterly 9% superannuation payment due for the October to December 2009 quarter.

- **21 February 2010** - lodgement and payment deadline for Business Activity Statements for clients reporting for the month of January 2010.
- **21 February 2010** - lodgement and payment deadline for Instalment Activity Statements for clients who are on monthly reporting for Pay As You Go Withheld for employees.
- **2 March 2010** - lodgement and payment deadline for Business Activity Statements for the October to December 2009 quarter.
- **2 March 2010** - lodgement and payment deadline for Quarterly PAYG Instalments for the October to December 2009 quarter.
- **2 March 2010** - final date for lodgement and payment of 2008/2009 Income Tax Returns for all Companies and Superannuation Funds that were not required to lodge earlier, including new registrations.

INVESTMENT ALLOWANCE DEADLINE

Time is running out to take advantage of the small and general business investment allowance on new assets. To qualify for the tax break you must buy the asset before 31 December 2009 and install the asset before 31 December 2010. If you require any further information, please contact our office.

BEWARE OF YOUR FRINGE BENEFITS TAX LIABILITY THIS FESTIVE SEASON!

Christmas Parties

The costs (such as food and drink) associated with Christmas parties are exempt from FBT if provided on a working day, on your business premises and consumed by current employees. The provision of a Christmas party to an employee may also be exempt if the cost of the party is less than \$300.00 per employee.

The cost of providing a Christmas party is tax deductible only to the extent that is subject to FBT. Therefore any costs that are exempt from FBT ie. cost less than \$300.00 per employee and are exempt minor benefits, cannot be claimed as an income tax deduction.

The costs of entertaining clients are not subject to FBT and are not income tax deductible.



Gifts to Employees

The provision of a gift to an employee at Christmas may be exempt from FBT if the value of the gift is less than \$300.00.

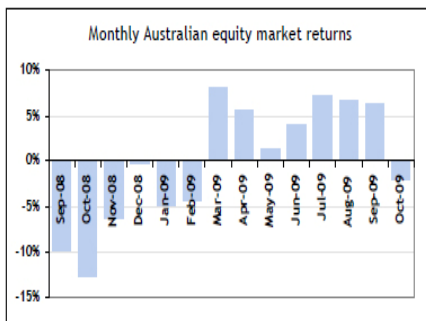
THE GLOBAL FINANCIAL CRISIS (GFC) - Some happy returns?

It is now over a year now since the first major tremors of the global financial crisis (GFC) broke across the globe.

Many investors - particularly those who were close to retirement or had never before experienced such a downturn, deserted the market and made for the relative safety of cash to mitigate their risks.

A year on, the concern and panic headlines of a year ago have given way to guarded optimism.

The stock market has recovered much more quickly and strongly than seemed possible a year ago. Monthly Australian equity market returns turned from negative to positive in March, and remained strong through the middle of the year and beyond.



Source: van Eyk.

The strength of the market rebound has taken many by surprise. Investors who find themselves cash rich at a time when interest rates have fallen to historical lows, have perhaps understandably, been slow to move back into the market.

They have felt safer in cash to hedge against risk. But the result has been to miss out on a strong rally in stock prices this year. Now they fear that it's safer to remain cash rich in case the market falls again and they risk exposing themselves to another bear market.

Of course, no-one can predict the future with certainty. But as Winston Churchill said, "I never worry about action, buy only inaction".

Source: The above article is supplied by Ben Hatcher and CUBE Financial Services, authorised representatives of Hillcross Financial.

SELF EDUCATION EXPENSES

The full Federal Court has ruled that Self Education expenses incurred by a student in connection with University study to achieve a teaching degree will be tax deductible. These deductions were allowable against income received by the student as a recipient of the Federal Governments Youth Allowance.

Generally, Self Education expenses can only be claimed if the study is in connection with your paid employment. A Ruling is set out in TR/9.

The Team at TCC Accounting Services would like to wish you a Merry Christmas and we look forward to seeing you in 2010.



STAFF UPDATES

Peter has been involved in helping business clients on issues concerning them. He will be taking a break over Christmas to watch the cricket test against Pakistan. In February he will be away for one week cycling the Otago trail in New Zealand with Carolyn. He will update you in the March Newsletter. Also you can check our website for photos on their return.

Claire is looking forward to the Christmas break and will be using her time off to prepare the nursery for her baby due in March. She has also completed her last CPA unit and will be advancing to CPA status soon.

Diane is the newest member to our team and is busy learning the operations of the practice. She is looking forward to being part of the local community.

Alison is looking forward to her 2nd Christmas with her little girl and family. She is also enjoying finding time to get on her bike to train for a Mountain Bike event next February.

Janelle is planning a camping trip before Christmas and is looking forward to her extended break over Christmas to enjoy the warmer weather with her children while they are on school holidays.

Angela is looking forward to spending time with her family and friends over the busy Christmas period.

Brooke has completed her first year studying a bachelor of commerce (accounting) with three high distinctions. She is enjoying the Uni break and is looking forward to next semester.

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