

June 2009

**NEWSLETTER****YEAR TO DATE IN REVIEW**

This has undoubtedly been a difficult year for many small businesses, and, if forecasts are accurate, the tough times may continue for some time yet. If you are having trouble meeting your taxation obligations, please contact us so that we can assist you in working through these issues.

TCC recently sent its senior accounting staff to the CPA Public Practitioners Conference in the Hunter Valley, where the current economic climate and the Federal Governments response were key discussion topics. If you would like to discuss how the Governments allowances and concessions may assist your small business, please contact the office.

We wish all of our clients success and prosperity for the coming financial year.

**UPCOMING DATES TO REMEMBER**

- **21 June 2009** - lodgement and payment deadline for Business Activity Statements for clients reporting for the month of May 2009.
- **21 June 2009** - lodgement and payment deadline for Instalment Activity Statements for clients who are on monthly reporting for Pay As You Go Withheld for employees.

- **30 June 2009** - last date for payment of superannuation guarantee to qualify for tax deduction for 2008/2009.
- **21 July 2009** - lodgement and payment deadline for Instalment Activity Statements for clients who are on monthly reporting for Pay As You Go Withheld for employees.
- **14 July 2009** - If you withhold amounts from payments to your employees and other payees during the 2008/2009 financial year, you must give each employee a copy of the PAYG Payment Summary.
- **21 July 2009** - lodgement and payment deadline for Business Activity Statements for clients reporting for the month of June 2009.
- **28 July 2009** - super guarantee - next quarterly 9% superannuation payment due for the April to June 2009 quarter.
- **28 July 2009** - lodgement and payment deadline for Quarterly PAYG Instalments for the April to June 2009 quarter.
- **14 August 2009** - PAYG Payment Summary Annual Statement and PAYG Payment Summaries must be received by the ATO.

- **21 August 2009** - lodgement and payment deadline for Business Activity Statements for clients reporting for the month of July 2009.
- **21 August 2009** - lodgement and payment deadline for Instalment Activity Statements for clients who are on monthly reporting for Pay As You Go Withholding for employees.
- **25 August 2009** - lodgement and payment deadline for Business Activity Statements the April to June 2009 quarter.

**GOVERNMENT CONTRIBUTION**

The Government announced in the 2009 budget that it will temporarily reduce the superannuation co-contribution matching rate from 150% to 100% from 1 July 2009. The proposed matching rate will then gradually revert back to 150% by 2014-15.

To be eligible for the 150% co-contribution rate for the 2009 financial year, eligible personal superannuation contributions must be received by your superannuation fund before 30 June 2009. The maximum \$1500.00 co-contribution is available to persons whose assessable income and reportable fringe benefits for the 2009 financial year do not exceed \$30342.00. You must also be aged under 71 on 30 June 2009 and meet a works test if aged between 65-70.



**TEMPORARY INVESTMENT ALLOWANCE**

The Federal Government's 50% Temporary Investment Allowance is now law.

The allowance provides small businesses with a one off additional tax deduction of 50% of the cost of eligible depreciable assets costing \$1000.00 or more, purchased between 13 December 2008 and 31 December 2009. To be eligible, your business must turnover less than \$2 million (larger businesses may still qualify for the 30% allowance). To claim the additional tax deduction in the 2009 financial year, the asset must be purchased and installed before 30 June 2009. For assets purchased between 1 July 2009 and 31 December 2010, they must be installed for use prior to 31 December 2010 in order to claim the Investment Allowance.

Under recent enhancements to the Investment Allowance, small businesses may also now amalgamate their expenditure on batches and sets of assets in order to meet the \$1000.00 threshold. For example - Maria runs a retail clothing store and meets the definition of a small business entity. On 15 June 2009 Maria purchases and installs six new mirrors costing \$200.00 each. As the mirrors are substantially identical they can be amalgamated for the purpose of meeting the threshold.

Maria's total investment is \$1200.00 and so will be eligible to claim an additional \$600.00 bonus in her 2009 income tax return (\$1200.00 x 50%).

**ATO MEASURES TO ASSIST SMALL BUSINESS**

The Commissioner has recently announced two measures to assist businesses with an annual turnover of less than \$2 million that are struggling to meet their tax debts.

Small businesses with an activity statement debt can apply for a GIC (General Interest Charge) free payment arrangement with the ATO from now until 30 June 2010

Small businesses may also be able to request a deferral of the payment of their next activity statement. You must still lodge the activity statement on time, but quarterly and annual activity statement clients may be able to defer the payment for up to two months. Monthly activity statement clients may defer the payment for up to one month.

**PERSONAL TAX RATES & THRESHOLDS**

The new income tax rates will apply for the 2009 and 2010 income years.

Current		From 1 July 2009		From 1 July 2010	
Taxable Income \$	Rate %	Taxable Income \$	Rate %	Taxable Income \$	Rate %
0-6000	0	0-6000	0	0-6000	0
6,001-34,000	15	6,001-35,000	15	6,001-37,000	15
34,001-80,000	30	35,001-80,000	30	37,001-80,000	30
80,001-180,000	40	80,001-180,000	38	80,001-180,000	37
180,001 +	45	180,001 +	45	180,001 +	45

**STAFF UPDATES**

**Peter** and **Carolyn** cycled 675km in the Great West Bike Ride, with 2000 friends in the Margaret River region of WA. They had a great time. Peter will be away from the office from 6 July and back on 27 July as he is taking his Dad to England to watch the first two Tests of the Cricket Ashes series in Cardiff and Lords.

**Claire** and **Brent** had a fantastic wedding day in March and very much enjoyed their Thailand honeymoon. Claire recently attended the CPA Conference in the Hunter Valley and is now preparing to start her last CPA subject.

**Melody** has been busy with Uni, and with her first Semester nearly over is preparing for exams in the last week of June. She also attended the CPA Conference in the lovely Hunter Valley and is now prepared for the upcoming tax season.

**Alison** is very busy with her one year old daughter and is enjoying the occasional weekend caravan trip with her family.

**Janelle** is busy with her childrens soccer, golf, and dancing commitments and is looking forward to one weeks break in the July school holidays.

**Kim** is enjoying the continuity of working Thursday and Friday at TCC Accounting.

**Angela** is keeping busy with her two year old daughter, and travelling around to support her husband playing soccer. Angela is heading to Sydney in July to attend software training.

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