



Institute of Certified Bookkeepers  
Making you count



## ATO Lodgement Dates

### How a Small Business Owner and Bookkeeper Can Work Together

What does a bookkeeper or BAS agent do?

How can they assist you in meeting your obligations as a business owner?

What should you expect in terms of qualifications and experience?

#### Why You Need a Bookkeeper

- To keep all of the records up to date so you can get accurate financial reports, and to assist with legal record keeping requirements.
- To help in keeping your end of year accounting bills down; by accurate processing throughout the year, there are fewer adjustments required by the tax agent.
- To avoid late penalties by making sure the GST, PAYG tax and superannuation compliance obligations are attended to.
- Free up your time so you can work on your business rather than trying to do tasks better done by an expert bookkeeper.
- Receive information about patterns, trends and cycles, areas of growth or reduction and potential issues.
- Minimise the risk of fraud by having another set of eyes overseeing your accounts and conducting ongoing auditing and assurance.
- Having someone on your side that can advise and support you in many aspects of your business – from daily operations and business systems to the big picture of how your business is performing and achieving business goals.

These dates are from the ATO website and do not take into account possible extensions.

You remain responsible for ensuring that the necessary information is with us in time.

#### **BAS/IAS Monthly Lodgements**

Final dates for lodgements and payments:

July Activity Statement:

21 August, 2017

August Activity Statement:

21 September, 2017

September Activity Statement:

21 October, 2017

#### **BAS Quarterly Lodgements**

Final dates for lodgements and payments:

**4th Quarter of FY 2017:**

**June Quarter 2017 (incl. PAYGI)**

28 July, 2017

**1st Quarter of FY 2018:**

**September Quarter 2017 (incl. PAYGI)**

28 October, 2017

When a due date falls on a Saturday, Sunday or Public Holiday\*, you can lodge or pay on the next business day.

\*A day that is a public holiday for the whole of any state or territory in Australia.

Due date for super guarantee contributions:

**1st Quarter of FY 2018:**

July to September 2017 – contributions must be **in the fund** by 28 October, 2017.

The super guarantee charge is not a tax deduction if not paid by these dates.

Refer to the ATO for details regarding any SGC charges applicable if not paid by due date.

**Payment Summaries EMPDUPE file** needs to be lodged by 14 August, 2017

**Taxable Payments Annual Report (TPAR)** is due by 28 August each year

## The Bookkeeping Process

- **Checklists:** these should be used for consistent professional bookkeeping.
- **Sales Processes:** this includes sales orders, invoicing, receiving payment and following up on late payments.
- **Purchase Processes:** this includes purchase orders, bills, supplier payments and inventory management.
- **Payroll Processes:** this includes the setting up employees, processing of pay runs and reporting on superannuation, PAYG tax withholding and employee entitlements.
- **Banking Processes:** this includes the reconciling all of the bank accounts, the point-of-sale systems and the credit cards used for the business.
- **Verification of Accounting Figures:** it is easy to assume that “the software is always right” but problems can occur for a variety of reasons in the accounts, and prior to preparing a BAS or other reports.
- **Reporting to the Owner:** the financial reports need to be inspected on a regular basis, providing reliable reports, commonly on a monthly and quarterly basis.

## You and Your Bookkeeper Working towards Success

A professional bookkeeper concentrating on the required regular tasks to manage your business in a financial and accounting capacity, can also provide trusted guidance and valuable insight into areas of your business impacting your results. This will allow you to focus on providing quality goods and services to your customers and lead you towards continued success.



## GST on Digital Goods and Services Supplied to Australia

**As from the 1st July 2017, international digital goods and services supplied to Australia may need to register for GST.**

The non-residents doing business in Australia who sell imported services and digital products to Australian consumers will be applicable.

When a foreign supplier of digital services has been established as an operating business in Australia for electronic distribution service, the operator will need to be registered for GST purposes. An example of this is iiNet/Netflix for the Netflix global company. Other examples include the larger businesses such as Apple, Google and Amazon.

Due to their size, GST collected would need to be reported on a monthly basis. However, the option to elect for limited registration for GST is also available, except this would mean that they would not be able to access input tax credits.

An aim in applying GST to digital supplies is to create level conditions for domestic businesses, that generally charge and remit GST on the digital products and services, will no longer be at a disadvantage in comparison to their overseas counterparts.

## What Digital Products and Services

The key features include:

- Intangible supplies such as digital content, games, software, streaming or downloading movies, music, apps, games and e-books
- Will extend to the consultancy and professional services for software performed by offshore customers in Australia
- The GST will be at a rate of 10 per cent on the value of the supply provided.
- Selling goods through EBay or other online systems
- Services such as architectural or legal services

It is important to note that this only relates to supplies made to consumers. Business to business transactions will be exempt. So, this liability for GST will then be with the supplier or the operator of the business.

Other factors in establishing who should pay GST:

- Being able to define the operation of a business and its sources
- Excluding the digital supplies that relate to education and health services.

Additionally currently goods under the value of \$1000 from overseas suppliers across the internet imported by Australian consumers are not covered under the GST Act and not applicable for GST.

However, as from 1st July, 2018 overseas businesses will have an obligation to register and charge GST on imported goods under \$1000.

## Bookkeeping for Digital Goods and Services

The main issue bookkeepers will come across in working with purchases of international digital products or services is ascertaining whether GST has been charged or not.

International businesses who register using the simplified GST system are not required to send invoices for products purchased online. Therefore, you may find that the digital goods transactions will be paid through a PayPal type platform which should provide reasonable receipts for processing. The payment online systems should be the best platform to be used for reporting online purchases.

## Who should register for the Australian GST System?

The international businesses who sell digital products and services connected to Australia exceeding the value of AUD\$75,000 of gross sales revenue must register and pay GST.

The best way to establish this is through the current year's turnover or similarly, the projected year's turnover is AUD\$75,000 or higher. (For not-for-profits the value is AUD\$150,000).

If you are an Australian business registered for GST, then GST will not apply to the services or digital products you import for use in your business. If you are not registered for GST, GST will apply to these purchases.

However, the supplier will not charge you GST if:

- Your Australian business number (ABN) has been provided, and
- You state that you are registered for GST.

Disclaimer: All or any advice contained in this newsletter is of a general nature only and may not apply to your individual business circumstances. For specific advice relating to your specific situation, please contact your accountant or contact me for further discussion.

**The Institute of Certified Bookkeepers**

Tel: 1300 85 61 81

Email: [admin@icb.org.au](mailto:admin@icb.org.au)

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