



ATO Lodgement Dates

Residential rental property travel expenses

Travel expenses relating to a residential investment property are not deductible.

A residential premise (property) is land or a building that is:

- occupied as a residence or for residential accommodation
- intended to be occupied, and is capable of being occupied, as a residence or for residential accommodation.

Under the new legislation, your clients are no longer able to claim any deductions for the cost of travel they incur relating to their residential rental property unless they are carrying on a business of letting rental properties or are an excluded entity.

As with prior years, the travel expenditure cannot be included in the cost base for calculating your client's capital gain or capital loss when they sell the property.

In the business of letting rental properties

Generally, owning one or several rental properties will not be considered being in the business of letting rental properties.

The receipt of income by an individual from the letting of property to a tenant, or multiple tenants, will not typically amount to the carrying on of a business of letting rental properties. This means that as their activities are generally considered a form of investment rather than a business, deductions for travel expenses are not allowed.

Excluded entities

An excluded entity is a:

- corporate tax entity
- superannuation plan that is not a self-managed superannuation fund
- public unit trust
- managed investment trust
- unit trust or a partnership, all of the members of which are entities of a type listed above.

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:

November Activity Statement:
21 December 2018

December Activity Statement:
21 January 2019

January Activity Statement:
21 February 2019

BAS Quarterly Lodgements

Final dates for lodgements and payments:

**2nd Quarter 2019 Financial Year:
December Quarter 2018 (incl. PAYGI)**
28 February, 2019

**3rd Quarter 2019 Financial Year:
March Quarter 2019 (incl. PAYGI)**
28 April, 2019

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:

2nd Quarter 2019 Financial Year:
October to December 2018 – contributions must be **in the fund** by 28 January, 2019

3rd Quarter 2019 Financial Year:
January to March 2019 – contributions must be **in the fund** by 28 April, 2019

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.



Superannuation contribution cap changes

Excerpt from ATO – Superannuation contribution cap changes

Find out if the superannuation contribution cap changes affect you. This information is relevant to you if you:

- receive contributions from your employer into super
- salary sacrifice into super
- make personal contributions to their super and claim a tax deduction for the contributions.



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Exceeding the concessional contributions cap

You may exceed concessional contributions cap, even though the contribution behaviour remains the same. You may exceed the cap if:

- concessional contributions were more than \$25,000 in the 2017–18 or later financial years. If so, they must lodge a tax return for the year they exceeded the cap
- they are a member of a constitutionally protected fund. Concessional contributions made to these funds now count towards the concessional contributions cap
- they are a member of a defined benefit fund which has unfunded contributions each financial year. These contributions now count towards their concessional cap.

New non-concessional contribution and bring-forward arrangements

The non-concessional contributions cap and bring-forward arrangements are relevant to you if:

- make or plan to make after-tax contributions into their super
- were under 65 years old at any time in the first year the bring-forward is triggered
- made a lump sum non-concessional contribution that triggered a bring-forward arrangement in the 2015–16 or 2016–17 financial year, prior to the introduction of the \$1.6 million limit on 30 June 2017
- had a total super balance of \$1.4 million or more from 30 June 2017.

When your non-concessional contribution cap is zero

If your client's total super balance (TSB) on 30 June of a financial year is \$1.6 million or more, their non-concessional cap for the following financial year is zero.

If you're currently in a bring-forward arrangement and the TSB is \$1.6 million or more on 30 June prior to either the second or third year of the bring-forward, the remaining bring-forward cap will be nil for the respective financial year.

Mandated non-concessional contributions

paying the excess contributions tax

If your TSB is \$1.6 million or more at 30 June in the previous financial year and you are committed to mandated non-concessional contributions within a defined benefit fund, they will exceed the non-concessional contributions cap. You will receive an excess non-concessional contributions (ENCC) determination.

If you are unable to release the amount in the ENCC determination from the super fund, you must select **Option 2** in the ENCC election, and you will receive an excess contribution tax (ECT) assessment.

You will need to pay the resulting ECT liability from your own sources. You will not be able to release amounts from super to pay this.

A change in remaining bring-forward cap

Your remaining bring-forward cap will change because the annual contribution cap has reduced from \$180,000 to \$100,000 for the 2017–18 and future years.

Transitional arrangements will apply if you:

- triggered the bring-forward arrangement in 2015–16 or 2016–17
- has not completely used their bring-forward cap amount before 1 July 2017.

The maximum amount of bring-forward available depends on the year that you triggered the bring-forward arrangement. It will reflect the reduced annual non-concessional contributions cap.

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.

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