

Client eBrief



Institute of Certified Bookkeepers
Making you count



Important changes from 1st July 2012

Small Business Concessions

Assets & Depreciation – Changes for Small Business

Check with your Tax Agent if you are included.

What's Changing:

No more 'long life' pool for small business

Write off assets immediately if they cost less than \$6500 excl GST

Motor Vehicles have a \$5000 write off in the year acquired plus 15% depreciation in the first year

2nd year onwards, Motor Vehicles then have 30% depreciation

Reportable Payments System – Contractors

BUILDING & CONSTRUCTION INDUSTRY: From 1 July 2012 business in the building & construction industry will be required to report to the ATO, annually all payments to suppliers/subcontractors who provide building services.

Who has to report? A business who has more than 50% of their activity or 50% of their income for the year or the prior year in the building & construction industry, including sole traders/contractors (known as 'purchasers'). If they hire a subcontractor 'supplier' to provide building services the purchaser is required to report the subcontractor payments to the ATO.

EXAMPLES:

(1) An electrical business provides goods & services for various electrical applications. A builder pays the business for the supply & installation of wiring in a commercial fit out that he is managing. As the provision of the installation service is a building & construction activity & more than incidental to the supply of goods, the builder will be required to report the payment it makes to the electrical business.

(2) A paint store provides paint to painters as well as an in-house painting service. For a small additional service fee the store will tint the paint to the colour the painter instructs. As the provision of the tinting service is merely incidental to the supply of the paint, the painter will not be required to report the payment it makes to the paint store.

Please talk to Us regarding these CHANGES

ATO Lodgement Dates

These dates are from the ATO website & do not take into account possible extensions. Contact us to establish when your information is required for lodgement. You remain responsible for ensuring that the necessary information is with us in time.

If you use your bookkeepers - BAS Agents Portal to lodge your Activity Statements then you can be eligible for an extension.

BAS lodgement-MARCH Quarter (including PAYG I)
28th APRIL by form

BAS lodgement-MARCH Quarter For Monthly Lodgers
21st APRIL, 2012

FBT return 2012
21 May 2012

BAS May 2012 Monthly lodgement
21 June 2012

SGC PAYMENTS :
28th APRIL, 2012
(If required contributions are not made by the due date for quarter 3 the SGC is not tax deductible)

Where a due date falls on a day that is not a business day (that is, the due date is a Saturday, a Sunday or a public holiday), lodgment or payment may be made on the first business day after the due date without incurring a penalty or general interest charge (GIC). A business day means a day other than a Saturday or a Sunday, or a day which is a public holiday.



Setting up Salary Sacrifice Super – Fixed Amount or %



(taken from www.myobaustralia.custhelp.com)

For Salary Sacrifice Superannuation, you need to be clear how your Employee wants to contribute – a set percentage or a fixed amount each pay period

Set up the Superannuation category

- Go to the **Payroll** command centre & click **Payroll Categories**. The **Payroll Category List** window appears
- Click the **Superannuation** tab.
- Click **New** if you want to create a new super category, or click the existing Salary Sacrifice category then click **Edit**.
- Depending on Employee's requirements you might need more than one Superannuation Category. Perhaps a Salary Sacrifice category for each employee. (User Entered Amount gives you flexibility in this regard.)
- So enter a name for the super category. For example 'Salary Sacrifice – 10%.
- These Salary Sacrifice Superannuation categories generally, do not relate to Employees wage categories, they are based on Amounts.
- In the **Linked Wages Category** field, select the Linked Payables Account – 2-XXXX Superannuation Payable. This amount is not seen in the Profit & Loss Reports it is treated as part of the Salary & Wages.
- Make sure the Contribution Type is 'Salary Sacrifice (deduction)
- Tick 'Print on Pay Advice'
- Select one of the three options for **Calculation Basis**:
 - **User Entered Amounts per pay period**. Select this option if you want to manually enter the amount to be taken from their pay each pay period. You can then set up each Employee's different details on their card under 'Standard Pay'.
 - **Equals x percent of**. Select this option if your employees want the amount to be a percentage of their Gross Wages. Enter the percentage in the first field and select a wage category in the second field. Generally, you will select Gross Wages for the wage category. If you want to exclude certain wage categories from the gross hours calculation, e.g. Overtime, click **Exempt**. The **Entitlements Exemptions** window appears. Select the wage categories you want to exclude and click **OK**.
 - **Equals x Amount per Pay period**. Select this option if your employees have chosen a set amount per pay period or per year.
 - Generally, No Limit is ticked and nil Threshold is chosen
 - Click **Employee**. The **Linked Employees** window appears, displaying all employees.
 - Select the employees who have chosen to salary sacrifice.
 - Click **OK**. The **Superannuation Information** window reappears.

Click **OK** then click **Close**

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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This newsletter is produced by The Institute of Certified Bookkeepers and distributed by members.

