

Client eBrief



Institute of Certified Bookkeepers
Making you count



Australian Taxation Office, FBT and Christmas

We have all heard of Charles Dickens famous 'Christmas Carol' and none of us wish to appear to be Scrooge, but as business owners we have to think of the ATO, FBT and Christmas Parties.

- [Fringe benefits tax \(FBT\) and entertainment for small business](#) (NAT 71590)
- [Fringe benefits tax \(FBT\) and entertainment for government](#) (NAT 71589)
- [Fringe benefits tax \(FBT\) and entertainment for non-profit organisations](#) (NAT 71586)
- [Fringe benefits tax and Christmas parties for tax-exempt bodies](#)

The provision of a Christmas party to an employee may be a minor benefit and exempt if the cost of the party is less than \$300 per employee & certain conditions are met. This provision also applies to the employee's associate.

The provision of a gift to an employee at Christmas time, such as a hamper, may be a minor benefit that is an exempt benefit where the value is less than \$300. Where the Gift is given at the Christmas Party each benefit can be considered separately.

Christmas party held at Your Premises On a Work Day:

Only Employees attend = **NO FBT**

Current Employees & spouses @ 180pp = **NO FBT** (minor exemption applies for spouse)

Employees, spouses & clients @ 365pp = Employee-**NO FBT**, Clients-**NO FBT/no income tax deduction**, Associate-**FBT applies as value more than \$300pp**

Christmas Party held at Other Premises:

Only Employees attend @ 195pp = **NO FBT**(minor exemption applies)

Current Employees & spouses @ 195pp = **NO FBT** (minor exemption applies for both)

Employees, spouses & clients @ 365pp = Employee & Associate – **FBT applies as value more than \$300pp**, Clients-**NO FBT/no income tax deduction**

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.

BAS/IAS Monthly lodgement –
November Activity Statement: 21st
December 13 final date for
lodgement & payment

BAS/IAS Monthly lodgement –
December Activity Statement: 21st
January, 2014 final date for
lodgement & payment

1st Quarter of FY2014: BAS
lodgement –Sept Quarter (including
PAYGI) 28th October 13 final date
for lodgement & payment.

2nd Quarter of FY2014: BAS
lodgement –Dec Quarter (including
PAYGI) 28th February 2014 final
date for lodgement & payment.

SGC for Oct-Dec Quarter to be paid
by 28th January 2014 to fund.
If you do not pay the SGC by this
date the SGC is not tax deductible.

Refer to the ATO for details
regarding any SGC charges
applicable if not paid by due date.
Where a due date falls on a day
that is not a business day (that is,
the due date is a Saturday, Sunday
or public holiday), lodgement or
payment may be made on the first
business day after the due date
without incurring a penalty or
general interest charge(GIC).
with us in time.



Superstream changes our world

Super Stream for the employers

Software companies are advertising this feature – so what is it? The government advises: (www.business.gov.au)

From 1 July 2014, if you have 20 or more employees, you can use the new Superannuation Data and Payment Standard when making super contributions.

The standard offers a simpler way of making super contributions and, for many employers, will provide a single channel for making contributions to multiple super funds.

Under the standard, employers will need to:

- send all super data electronically (such as the employee's details and the amount of super being paid)
- make contribution payments electronically
- link data and payments with a unique payment reference number
- send data and payments on the same day.

Some options to help you meet the standard include:

- upgrading your software so that it complies with the standard
- engaging a service provider who can meet the standard on your behalf
- getting advice from your super fund on how your business can meet the standard.

To help you understand the standard, the Australian Taxation Office (ATO) is sending important information about the standard to all employers with 20 or more employees. Watch out for this letter in the mail in the coming days.

Find out more about the [Data and Payment Standard](#) on the ATO website.

Smaller businesses

From 1 July 2015 all employers need to use this system; **It is a better place to be, in our view**

We are a strong believer and proponent in business efficiency. Accordingly giving business the ability to comply with all their superannuation obligations quickly and easily and make payments from within their normal business software is a great step forward.

What does it mean?

1. From within your payroll system you state which superfund needs to be paid for which employees.
2. Your system keeps track of the amounts
3. When payments are due the software should create the payment instruction to the superannuation clearing house/s and send the money to that clearing house
4. The superannuation clearing house takes the bulk instruction from you, separates the information (data) and the payment into the respective funds and sends it on **i.e., push button SGC obligations met!**

Who does it?

- A. The Medicare superannuation clearing house has been available for small business (less than 20 employees) for some time ([See information and instructions here](#))
This is now administered by the Department of Human Services/Medicare. This was a great first step towards this system but it is not an automatic process and in fact you need to duplicate your data by having all your relevant employee information in the Medicare system. This system continues for the time being.
- B. MYOB have had the M-Powered Superannuation in place for many years. From within their desktop product (ie not ARLive yet – see below), you establish the superannuation information in the payroll area and at the push of a couple of buttons the superannuation is paid and information sent through their M-Powered Superannuation Clearing House.
MYOB have recently advised “If you are using a current MYOB product to calculate and complete your payroll, we will release a SuperStream solution well before July 2014.” [See the full article here.](#)
This refers to all their product range: AccountRight Live, AccountRight V 19, LiveAccounts, Powerpay, AccountEdge
- C. Xero have “auto super” which does the same process and uses clearing house “Clicksuper”
Xero have recently advised “With the new Business Edition subscription bundles that Xero announced last week, we used this as an opportunity to embed auto-super payments across all Premium plans. This feature was previously only available in our large subscription.
- D. Other products – we will advise as we become aware of their involvement with Superstream

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

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

