



Institute of Certified Bookkeepers

Making you count

P: 1300 85 61 81

F: 1300 85 73 93

E: admin@icb.org.au

W: www.icb.org.au

Bookkeepers helping Bookkeepers help Business

July 2014

[Click here for the online version](#)

News, views and things you need to know

Welcome to the ICB's July 2014 Newsletter.

Contents

Important News

- 3 [What is ICB Doing about the Unreliable ABN Lookup Tool?](#)
- 4 [ABN check - Status of other Software Companies](#)
- 5 [Business Name vs Trading Name](#)
- 6 [How Big is the Market Place](#)
- 7 [ATO, Catching up or Leading the Way?](#)

Best Practice Bookkeeping

- 10 [Looking Ahead for the Payroll Year](#)
- 11 [ASIC Business Checks](#)
- 12 [Automating Accounts Payable](#)
- 13 [New ATO Tax Table Tools](#)

The BAS Agent World

- 14 [BAS Agents - AUTOMATIC EXTENSIONS!!!!](#)
- 15 [Meet your TPB BAS Agent CPE Requirement - Read This.....Only](#)
- 16 [TPAR Lodgement Date is Ridiculous](#)
- 17 [ATO - BAS Agent Lodgement Program 2014 - 2015](#)

Continued Professional Education

- 18 [This Month From the ICB Continued Professional Education Webpage](#)

ICB Network Meetings

- 19 [Question for You to Discuss this Month??](#)
- 20 [Upcoming Network Meetings](#)

Other Things Happening in the World

- 22 [The Personality that Succeeds in Customer Support](#)

From the ICB

- 22 [Business Newsletter - eBrief - July 2014](#)
- 22 [What's New this Month](#)

Products and Solutions

- 23 [Reckon: How do I find transactions entered today?](#)

From the ATO

- 24 [ATO Driving Change](#)
- 24 [ATO Corporate Plan 2014 - 2018 - An Interesting Read](#)
- 25 [ATO Portal Maintenance - Scheduled Downtimes](#)
- 25 [ATO Offers In-House Dispute Resolution Facilitation](#)

[ICB Membership Statistics](#)

[ICB Supporters and Sponsors](#)

In this month's [Members Newsletter](#) you will find the following additional information

Important News for You

- [Link your Business Name to your ABN](#)
- [Software Feature Comparison](#)

Best Practice Bookkeeping

- [Amending Payment Summaries](#)
- [Varying the PAYG Withholding](#)
- [Bookkeeping for Partnerships](#)
- [Assets and Depreciation 2015](#)
- [GST on Deposits, Layby and Part-Payments\]](#)
- [Technology you Should Use](#)

Continued Professional Development

- [ICB Technical Webinars](#)

Other Things Happening in the World

- [Removing the Tax Impediments to Small Business](#)

From the ICB

- [Have you Registered to Receive ICBenefits?](#)

What is ICB Doing about the Unreliable ABN Lookup Tool?

The ABN Lookup Tool...

Recently described as “unreliable, annoying and time-wasting”

In our [May 2014 newsletter](#) we described to you the ATO position about what you MUST do before you claim back GST from ANY supplier.

“The ATO have now explained to us that the legal position is that a business MUST KNOW that their supplier is using a legitimate ABN and is entitled to charge GST.”

Full details, procedures, solutions and templates provided on the ICB website, [click here](#).

How do we validate GST registration?



Included in the above link to ICB resources are our recommendations about how to do this in a legal and effective manner. Use one of the ABN lookup tools.

We are also pleased to note the MYOB development of ABN Lookup from within their software. Refer to [June 2014 Members newsletter article](#).

MYOB have provided further information that indicates the ABN lookup facility in their software rechecks the ABN each time you go into the supplier card. We have requested they display the status on each purchase and payment screen and it be rechecked every time we use the card.

You have been asking about what we are doing to convince government to improve the lookup tool!

Your issues:

1. ABN number and the associated trading names are often incorrect.
2. The infamous ABN Lookup tool “disclaimer” ([click here](#)) which has a number of questionable statements...
 - “The registrar of the Australian Business Register accepts no liability arising from use of or reliance on the service” (...yet the business owner has the obligation to check the validity of an ABN before claiming GST credits)
 - “Neither the registrar nor the government guarantee that the information available is accurate or up-to-date or complete” (...unfortunately we know this)
 - “You should consider verifying any information obtained through this service with other sources” (...please tell us which other sources those would be?)

We have had a number of scenarios brought to our attention recently:

1. ABN lookup says supplier is not registered for GST. On approaching supplier for correct invoices, the supplier produces a document from the ATO over a year ago verifying their GST registration. ABN lookup is over a year out of date.
2. ABN lookup shows supplier was de-registered at a certain date. The supplier can produce a document from the ATO verifying that they are currently registered for GST, and can show lodgements from the ICA showing BAS lodgements.
3. ABN lookup shows supplier is unregistered. Bookkeeper takes a screen shot to show supplier. Supplier is mystified...bookkeeper checks a week later and finds that the ABN now states the supplier is registered—but not from the date the supplier has proved with their records.
4. Supplier becomes registered for GST and it is backdated
5. Supplier name and ABN cannot be found anywhere yet the business is supposedly part of a major franchise
6. Incomplete list of trading names on ABN Lookup, not associated with the company name

So we certainly get it! The law says you must check and the only place to check is NOT to be relied on and that may be a good thing as it seems to have problems.

ICB has been working with the ATO to understand the complexity of the issue, to assist them to see that if the law requires a business to be confident of the GST registration status of a supplier then the government/ATO must provide an ABN lookup service that we are allowed to rely on.

We do note that you also need to keep in mind that it may not just be the ABN Lookup tool being incorrect or out-of-date. It could be a case of fraud or deliberate misleading going on, with either a false ABN and/or business name being used.

ICB has requested

- The ABN Lookup tool disclaimer be removed and replaced by a statement of certainty “If you have checked this register and relied on it for the purposes of claiming back GST then you will be deemed to have complied”
- Provision of the ABN lookup tool through SBR services and easier lookup services
- Software companies to implement the ABN lookup facility within their software every time we are purchasing or paying a supplier where GST is involved (This was requested from the major software companies in February 2014)
- That business names be up-to-date as soon as changes or registrations are known to government.
- That the GST details must be shown on the first screen of the web based ABN lookup service

Related ICB Information

For information on legal research, templates to use for business owners and supplier, and related BAS agent obligations, [see this link](#).

Other Information

From business.gov.au — [What is the difference between a trading name and business name?](#)

[Return to top](#)

ABN check - Status of other Software Companies

Last month we informed members of [MYOB's release of the ABN check within the software](#). This month we follow up with the status of the other software companies and this feature.



To verify a supplier's ABN when using Quick books Online, the following steps need to be taken:

- Open the supplier's contact details
- Next to the ABN box is a hyperlink “Verify” (highlighted below)
- Click on this and it takes you to the ATO's ABN lookup site on a separate window
- Enter the ABN manually and verify from that point
- Go back to the QBO browser window

The screenshot shows the 'Supplier Information' form in QuickBooks Online. The form is divided into several sections: Personal Information (Title, First name, Middle name, Last name, Suffix, Email), Company Information (Company, Display name as, Address map, City/Town, State, Postcode, Country, Notes), and Billing Information (Phone, Mobile, Fax, Other, Website, Billing rate (/hr), Terms, Account no., ABN). The 'ABN' field is highlighted with a red circle, and a 'Verify' link is visible next to it. Below the 'ABN' field, there is a radio button for 'I pay this supplier with AUD Australian Dollar'.

This is a step in the right direction—it does prompt the user to verify the ABN and makes it easy to go directly to the ABN lookup, however, it is essentially a manual process that does not interface with the software. The result of the ABN lookup is not recorded by the software.



Reckon plan to include this feature in their 2015 release of Reckon Accounts and RA Hosted. They are currently working with the ATO to develop this feature in accordance with ATO requirements.



Xero do plan to include this feature in the future, but we do not have any information on when it is planned for release.



Not currently included in software.

[Return to top](#)

Business Name vs Trading Name

What's the difference?

According to Business.gov.au ([What's the difference between a business name a trading name and a legal name](#))..... Nothing!

Excerpts from the above explain as follows

- “Trading Name” is an old term used interchangeably with “Business Name”
- “Business Name” is the correct term and is the title you trade under.
- You can link multiple “business names” to your ABN – see below
- “Legal Name” is the name of the entity for legal purposes. (ICB comment: Business Names are owned by the legal entity)
- You MUST register your “business name” if it is different to your legal name, in order to use it ([click here](#))
- It is now ONE NATIONAL business names register ie no more register in every state

All that is fine **BUT..**

[Abr.business.gov.au](#) also advises

- To apply for a registered business name you must have or be in the process of registering for an ABN
- New business names will automatically update the ABR / ABN Lookup (ASIC will do it!!!)
- To register, change or cancel a business name [click here](#)
- Business names registered prior to 29 May 2012 may not currently appear on your ABN records.



“Trading names will NOT be fixed on the ABR / ABN lookup until 2018”

Any trading name connected to an ABN as of 28 May 2012 will stay connected to the ABN until 2018 regardless. (The delay seems to make a mockery of the whole identify your supplier requirement but hey.

SO what do we do in the mean time?

From the ABR website

Why doesn't my business name appear on ABN Lookup?

Business names registered before 28 May 2012 may not currently appear in ABN Lookup. However, you can update the ASIC register by adding the ABN to your business name record if you wish to. You can do this using ASIC's online [maintenance smart form](#). Your updated business name record showing your ABN will appear on the ASIC Connect Search portal after the smart form has been processed, which may take several business days.

As you can no longer update your trading name with the Australian Business Register (ABR), adding your ABN to your business name record with ASIC is a way to show the link between your business and your ABN.

[Return to top](#)

How Big is the Market Place

Business stats for year ended 30 June 2013 (From the Australian Bureau of Statistics)

As bookkeepers endeavour to provide services to either a single business being their employer or multiple businesses it is worth observing the makeup of our potential revenue stream:

Total ABNs	7,175,000
Active ABNs	5,167,942
Businesses following grouping and exclusions	2,079,666
Companies	722k
Sole Traders	565k
Trusts	481k
Partnerships	310k

Employers

Total of 815,368 employers or 39% of all businesses
563k businesses employed between 1 & 4 people
197k businesses employed between 5 & 19 people
51k businesses employed between 20 & 199 people
3,598 businesses employed more than 200 people

Turnover

556k businesses turned over less than \$50k (noting 22% exit rate)
718k businesses turned over between \$50k & \$200k
672k business turned over between \$200k to \$2m
133k businesses turned over more than \$2m

During the year

239,339 new businesses were formed, which was less than the closure of 300,843 businesses. There was a decrease (2.3% or 48,292) less new businesses established compared to the previous year.

There was a greater portion of exits/closures compared to the previous year 1% or 22,190 more.

Does business survive for very long?

Of the 2,050,642 business as of 30 June 2009, 86.9% survived till June 2010, 77.4% to June 2011, 57.7% till June 2012 and 47.5% still existed as of June 2013.

Of the 342,753 new business set up during year to June 2010; 73% lasted a year, only 57.7% 2 years till June 2012 and only 47.5% lasted 3 years as of June 2013.

Other Industry Statistics

“Construction” has the highest number of businesses

“Accommodation and Food Services” grew the most

“Administration and Support Services” had the highest exit rates

“Household” based business were the largest institutional sector 56.9% or 1.18m businesses

(The other sectors being “Financial” or “Non-Financial” corporations)

State vs State

The number of business declined in EVERY state

NSW has the largest number of businesses, then VIC, QLD, WA, SA, TAS, ACT & NT in order.

Pretty much what we would have expected.

What does this mean for us?

Noting that there are 11,385 individuals registered as BAS Agents the above indicates there are

- 182 potential business clients for every BAS Agent,
- only 133 of those have turnover of more than \$50k
- 71 of those employ people
- Based on the ICB 2013 Survey on average we have less than 15 businesses that contract bookkeepers work with.

Australian Bureau of Statistics – [Counts of Australian Businesses](#)

[Statistics from the Australian Bureau of Statistics](#)

[Return to top](#)

ATO, Catching up or Leading the Way?

Tax Office - catching up or leading the way into Business to Business efficiency.

SBR, ELS, ECI, AUSkey, Portal, One Touch Payroll, SuperStream, Clearing Houses, Secure Messaging, EMPDUPE, TPAR, PSAR, BAS, IAS, AS

Electronic, Electronic, Electronic

Practitioners and Business alike are annoyed with the performance of the ATO provided Portals. This browser based access into the ATO systems to see what is happening with a businesses tax forms and affairs, has become an essential tool in combatting the burden to comply. The performance, reliability and effectiveness of that tool is loudly condemned.

The tax man is equally perturbed.

Having said that the Portals have been here for a long time. Was it the first widely used cloud based provision of detailed information from a government agency to their constituency?

So when the tax office take strategic decisions into the use of technology into the future we should be watching! The need to embrace the next wave of technology may just be forced upon us!

ATO takes business technology into the future

This isn't a bad thing (I hope), nor does it mean just because the tax man says it's new that it is.

SBR (Standard Business Reporting), now a name that sounds old and probably needs an overhaul, really is the backbone for how the government wants to interact with business and practitioners. The vision is that by using the “SBR” labelled technology, government can open up the gateway for us to receive information and confirmation from the ATO (but arguably not just the ATO), also for us to provide information, lodge forms, make changes and therefore all compliance at the push of a button.

That button provided by our normal business software.

Arguably SBR is simply the next generation of what has been at the back end of such things as the ELS (Electronic Lodgement System) and ECI (Electronic Commerce Interface) systems that we have also had for a significant number of years. Accountants Practice Software has for many years enabled the practitioner to manage a client base in software, prepare tax returns and accounts in software as well as lodge forms, manage their client’s lists and to a lesser extent than what is upon us for the future, interact with the ATO. The world and technology has outgrown ECI / ELS and hence here comes SBR & various forms of XBRL/XBRL2 etc.



So SBR will be the new version of the platform to interact in the ways we have been for some time. Accountants should not care that ELS is now spelt SBR. Accountants should care that their software company is providing the BEST practice management solutions to them. The Practice Management system should facilitate the BEST interaction with ATO & the easiest lodgement of forms, together with the instant acknowledgement by the ATO that they have received the form. As the ATO improves their end our software should provide those improvements.

One day we might even get a report that tells us whether the ATO has received all the Payment Summary forms (EMPDUPE files) that have been lodged or even better a report that actually lists all clients.

Everything Electronic

In recent days the ATO have mandated electronic everything: You must now lodge applications for a deferral electronically, lodge BAS electronically, lodge Payment Summaries electronically, TPAR must be electronic, TFN Dec’s they want electronic.

Is this a better world? Yes, well it will be when they are able to provide efficient and effective lodgement gateways as well as appropriate reporting.

This internet enabled / cloud based lodgement platforms through the Portals or through SBR enabled software is going to be more efficient.

One Touch

The ATO and government now tout the concept of a “one touch payroll” (ATO conference “Drivers for change”, Sydney June 2014)

They envisage systems where the payroll software will at the push of a single button calculate and pay each employee, calculate and pay the Tax withheld from those employees, calculate and pay the Superannuation for each of those employees to the SuperStream enabled clearing houses at each and every payrun eg fortnightly.

One touch buttons, that perform complicated business processes, keep improving and developing and have been for some time. This one touch payroll is not a novel concept nor new. Commercially available Accounting/Business software has been on this journey for many years with gradual but significant improvement in the automation of payroll processes. What is happening now is that Government are enabling their end to receive the compliance reporting based on what is now a simple business process.

HOWEVER

We have raised concerns with one government view “that because you can now calculate it every pay, you should pay it all every pay”. Opposed to a real world view: “Business is not always in a cashed up position and to bring forward your tax withheld and super payments in some cases by up to 4 months is just not feasible.”

Neither are we comfortable with the view that “well you have incurred that debt (the tax and the super) therefore you must be able to pay it straight away otherwise you are NOT a viable business and should be put out of business”.

The art of being in business in Australia includes significant cashflow management. Typically it includes significant cash sacrifice by the owners. A business owner who is seeking to start or grow a business makes many sacrifices and takes many risks in developing and growing that business. Unless government is prepared to cashflow fund the start-up and growth of every business they should not expect business to be able to bring forward significant cash payments. Economic activity will slow.

Of the 2m businesses in Australia about 300k will close this year and another 200k will be formed (ABS stats for 2013). How many more will fail if the government imposes a greater cashflow burden on the new business.

We are already on the journey of better technology driven evolution of business processes and we have been for some time!

The ATO embracing these improvements; could be them utilising the output of our Natural Business systems and our Best Practice Business Processes, that would be nice!

Software keeps bringing us business improvement: (in no particular order of time or merit)

Payments from within the software (ABA files or payment gateways)

Emailed Invoices (possibly with how to get paid information, PayPal etc)

Emailed Payslips (or the latter development of employee portals)

Emailed Payment Summaries

Bank Feeds (for verification of the records or in some cases creation)

Purchase Invoice filing and dissection

Draft BAS's ready for lodgement (coming soon the one touch lodgement)

Instant lodgement of the TFN Dec at the time of setting up the employee

SuperStream clearing house type arrangements (even before SuperStream existed)

May software embrace the new government technology therefore enabling our quicker and easier compliance.

Have you also noticed how Government keeps finding ways to give us a compliance burdens; some of which seem to make sense and some of them are a good idea with strings attached: The most recent examples being; TPAR Taxable Payments Annual Report (good idea but needs work) and the other SuperStream (yet to see just how good this might be).

SuperStream – is it?

The next wave of; technology, systemised, superannuation requirements placed on every employer with an SGC obligation is significant if not extensive! Ignore the delay in implementing it; the system should be efficient and logical.

When an employer needs to pay the SGC on behalf of their employees they must (soon) use a Clearing House. Not necessarily the existing ATO (previously DHS & before that Medicare) Superannuation Clearing House, but any commercially provided Clearing House. This is using current cloud based/internet enabled technology assist business to meet their obligations (and by the way assist ATO to monitor whether you have complied).

The employer sends one payment and the appropriate information to the clearing house that then does the payment split and information allocation to be passed on to the respective super funds. Smarter Super compliance.

Now the ATO available at all good app stores

Tax compliance, reporting, checking, and calculating all on your phone. Individuals can even lodge their tax return on the ATO App.

For business and their bookkeepers it has functionality for

- SGC eligibility, calculation, checklists
- Employee/Contractor tool (although technology doesn't solve the tools problems)
- Tax withheld calculator
- FTX Credit calculator
- Payment plan estimator – when you owe them money now work out how to pay it off

And of course access to multiple ATO resources and information.

Concluding Observation

In terms of; embracing the cloud, progressing business and their Agents use of technology, maybe the ATO has been leading the field for some time. The portals – ahead of their time (well they were once), ELS/ECI – lodgement and interaction with government over the internet (although some will remember it used to be a direct modem to modem dialup). Maybe credit where credit is due.

In terms of embracing natural business systems, in terms of creating the technology and the compliance tools in a manner or with an interface that really works with business; Sorry ATO but you have a way to go. You don't always think about the impact this has on our business systems.

The ATO website provides further details on their [Strategic Direction](#).

[Return to top](#)

Best Practice Bookkeeping

Looking Ahead for the Payroll Year

If your payroll has 53 weekly or 27 fortnightly pay periods, you may need to withhold extra tax.

Using the usual weekly or fortnightly tax tables may result in a shortfall of tax paid by the employee.

The employer should notify the employees early in the year if this is the case, and give the employees the option to have extra tax withheld as per the ATO guidelines for this situation, [click here](#).

Bookkeepers and BAS agents involved in payroll should let business owners know NOW if this situation will apply to their business, and let employees know accordingly.

When there are 53 pay periods in a financial year

In some years, you may have 53 pay periods instead of the usual 52.

As this schedule is based on 52 pays, the extra pay may result in insufficient amounts being withheld.

You should let your employees know when this occurs so if they are concerned about a shortfall in tax withheld, they can ask you to withhold the additional amount in the table below.

Weekly Earnings	Additional PAYG to withhold
725 to 1524	3
1,525 to 3,449	4
3,450 and over	10

When there are 27 pay periods in a financial year

In some years, you may have 27 pay periods instead of the usual 26.

As this schedule is based on 26 pays, the extra pay may result in insufficient amounts being withheld. You should let employees know when this occurs so if they are concerned about a shortfall in tax withheld, they can ask you to withhold the additional amounts in the table below.

Fortnightly Earnings	Additional PAYG to withhold
1,400 to 3,049	12
3,050 to 6,799	17
6,800 and over	42

[Return to top](#)

ASIC Business Checks



Checking out the people you deal with!

ASIC Business Checks - a new app

From iTunes: "The information in this App provides some general steps that you can take to reduce the risks of being swindled by unreliable operators and fly-by-night businesses. While the information provides general guidance, you should be mindful that it cannot protect you in all your business interactions."

[Click here for further information and the links to download the app to your iPhone or Smart Phone.](#)

Comment

I thought what a great use of technology an app where I can put in the details I do know and it will interact with ASIC information and provide me information really quickly about anything I should be aware of for that entity I am checking up on.

I then dreamt that maybe it will interact with the ABR and also advise me of the legitimacy of the ABN and GST registration and then I can quickly check every customer and every supplier I deal with.

But No!

What the app does is:

1. asks a series of relevant questions
2. tells you where to go and do the searches yourself

In effect it is a list of searches you should do!

Oh well, better than nothing but I am really looking for stages 2 & 3 which will interact with the information.

[See the PDF report when I said NO to every question.](#)

The result refers you to the following searches of the ASIC information:

- connectonline.asic.gov.au for ACN & ABN registration information
- ["Business name index" register](#)
- ["Organisations Index"](#)
- MoneySmart in case it is on the ["Do Not Deal With" list!](#)
- What [licences](#) are they supposed to have
- [Bankruptcy check](#)

And then there are references to checks that cost fees.

It is a great idea and how good it could be when it automates all these checks for you and provides you with that report at a click of a button.

At the moment the app fits into the category of "Just because you can doesn't mean you should"

The concept and logic is GREAT.

[Return to top](#)

Automating Accounts Payable

Automating Accounts Payable makes business more efficient and more profitable

Invoice Processing Time (Days):

Best-in-Class – 3.7 days,

Industry Average – 8.8 days,

Laggard – 14.3 days

(Processing meaning everything from receipt of the invoice)

Invoice Processing Cost (\$US):

Best-in-Class – \$4.00,

Industry Average – \$9.60,

Laggard – \$23.30

Early Payment Discount Capture Rate (%):

Best-in-Class – 65.8%,

Industry Average – 42.7%,

Laggard – 8.9%

Invoicing processing cost is only 1/8 of the cost in best practice efficient processing systems when compared to those behind the times in terms of process and automation.

Time taken to process invoices is nearly 4 times longer in non automated businesses.

The items of significant concern for business in terms of Accounts Payable systems is:

1. Finding and managing paper based documents
2. Lack of visibility into the invoices

(Based on Aberdeen Group research paper ["From the Shadows to the Forefront, AP Automation and the Strategic Vision October 2013"](#))

What Does This Mean for a Bookkeeper in 2014?

Today's best business practice world is to automate as many business processes that make sense.

That automation typically comes at a cost: the different software to help automate as well as a different learning curve and system which takes time to implement and change. We are in a world that has a lot more loud messaging about all the "add-ons" to buy to help the process. Yes when it is justified, make sure you do the costs and make sure you do the comparisons.

We need to be across the different options, the best automation software, the best way to integrate a new process into existing processes.

If we don't take it to our businesses then it is likely someone else will introduce them to the new world of automated / electronic processing.

The report referred to above discusses the business scenarios where the Purchasing business makes it very obvious to the supplier that there are advantages in providing an electronic invoice. Quicker processing, quicker response times, quicker payment. Those that once issued paper invoices are introduced to electronic invoicing and then never turn back.

When you consider the sales side of a business that issues invoices; the conversion to electronic invoices is normally fairly quick with instant cost reduction and also quicker receipt of funds.

The same will become evident on the purchasing side. While typically not so quick to implement and also not able to be implemented with all supplies (as you aren't in control).

What to Do?

Implement programs like Invitbox or ReceiptBank that provide an electronic invoice receipting service, they break the invoice down into data to be brought into your software and in some cases provide the full Accounts Payable system to integrate with your accounting system.

Implement electronic payments and remittance advices.

Adopt an electronic filing system (preferably connected to the accounting records) making the invoices easier to store but also easier to find when required.

BE THE IMPLEMENTER of BEST PRACTICE!

Further Information

ICB guide to [Making Payments on Behalf of Clients](#)

[Return to top](#)

New ATO Tax Table Tools

The ATO have issued new tax tables in effect from 1 July 2014:

[ATO - Tax Tables](#)

This year, they have introduced a new tool in the form of an excel spreadsheet called Withholding Look-Up Tool. You simply input the gross earnings and the tool gives you the figure to withhold, both with the tax-free threshold and without—fast and easy to use.

Fortnightly earnings	With tax-free threshold	No tax-free threshold
1	2	3
\$	\$	\$
2,473.00	512	756

NOTE

Where the tax-free threshold is claimed and your employee earns:

- more than \$6,550 but less than \$6,922, withhold \$2,092 plus 39.00 cents for each \$1 of earnings in excess of \$6,550
- more than \$6,921, withhold \$2,238 plus 49.00 cents for each \$1 of earnings in excess of \$6,921.

Where the tax-free threshold is **not** claimed and your employee earns more than \$6,550, withhold \$2,398 plus 49.00 cents for each \$1 of earnings in excess of \$6,550.

For all withholding amounts calculated, round the result to the nearest dollar.

You can still download the PDF ready reckoner—at the link above, choose the tax tables you need, e.g., fortnightly tax tables, then look for the menu heading on the left—“How to obtain copies of this publication”. [Here you can download the PDF version of the tables.](#)

[Return to top](#)

BAS Agent Information

BAS Agents - AUTOMATIC EXTENSIONS!!!!

From the ATO - [Lodgement Program Deferrals](#)

Seems they have been listening!!

BAS Agents can get an automatic extension for 14 days

BAS is going to be late??

Advise the ATO for an AUTOMATIC extension

As of 1 July; an update to the ATO policy on BAS Agents ability to apply for lodgement extensions. (They do listen and this is a good step forward).

You know you get an Agent extension of 2 weeks and an electronic extension of 2 weeks for Quarterly Activity Statements, but what if it still is going to be late for “exceptional or unforeseen circumstances”.

You can “**request**” (which really means notify) the ATO within **3 business days after** the due date (being your extended date).

The maximum extension under this “Agent Assessed deferral”:

Annual statements - > 28 Days

Quarterly - > 21 Days

Monthly - > 14 Days

A BAS Agent can lodge this deferral for the following forms:

Monthly Activity Statements

Quarterly Activity Statements

Annual GST information reports and Annual GST Returns

Annual PAYG Payment Summary Statements

You **MUST** use the ATO form (it is an Excel document that you complete).

[Download from the ATO site here](#)

[Download from the ICB site here](#)

ATO - [Lodgement deferrals for registered agents](#)

What is on the form?

- All your details
 - TFN or ABN of the clients (Multiple clients can go on the one form)
 - Use a different form for different types of deferrals
 - ie activity statement or annual GST return or annual Payment Summary statement
 - for each client you indicate a code for the reason
 - A1: Serious illness of the practitioner
 - C1: Serious illness of the taxpayer
 - A2: or C2 Impeded access to records, legally or from another agent or temporary inaccessible
 - A3 or C3: Natural and other disasters
- “A” means it’s about the Agent and “C” about the Client

Then upload the excel document into the BAS Agent Portal secure Mail facility You create a mail message within your portal and attach the form to the message.

Using Mail in the Portal

Once you have logged into the portal, select **Mail** from the left menu.

Sending messages

- select **New message** from the left menu
- select the appropriate Topic and Subject to ensure your message is sent to the correct area
- send a separate message for each subject
- include all relevant information in the message, including
 - your client's name, Australian business number (ABN) or withholder payer number (WPN)
 - details supporting your request or enquiry
- attach all supporting information.

After submitting your message, you will be issued with a receipt number. A copy of the message will be stored in your **Mail – Sent items**.

Receiving replies from the ATO

Where a message has been sent by you from your Inbox – we will reply to your Inbox Make sure your email notification is set up with your current email address, so you are alerted to any secure messages from the ATO.

The email notification we send to you from the portal will always be from a single trusted email address: Taxofficeportalmessagenotify@ato.gov.au. The subject line will change depending on the topic.

Accessing Portal Mail – [click here](#).

If you are seeking a [longer extension then refer here](#).

[Return to top](#)

Meet your TPB BAS Agent CPE Requirement - Read This.....Only

BAS Agents CPE requirements for 2014/15

If you were a registered BAS Agent as of 31 December 2013 and you renew your registration between 30 June 2013 and 30 June 2016

then

Reading (and understanding) the TPB CPE policy is **ALL YOU HAVE TO DO** to meet the CPE requirement.

(A copy of the [TPB's Continuing Professional Education requirements](#) is available here)

[TPB Obligations - Continuing professional education, Qualifications and experience](#)

[TPB Publications and legislation - Continuing professional education](#)

After 1 July 2016

You will need to complete 45 hours per 3 years (average of 15 per year but it allows a minimum of 5 in any one year) of CPE.

"Relevant" is a key term for your TPB CPE as you must undertake training or enhancement of your knowledge in areas "Relevant" to the BAS Services you provide.

ICB Comment: ICB requires you to complete 15 hours per year of Continuing Education and we do not believe reading the TPB Policy will take you that long.

Consider achieving your CPE requirement for both the TPB & ICB by attending the following:

- August is the month for most Software company conferences: not all is relevant to the TPB but most is relevant to your world of bookkeeping
- Monthly ICB network meetings (either face to face in your local area or by webinar)
- Monthly ICB newsletter (reading it alone is at least a couple of hours per month)
- ICB March annual conference (one day of direct training on your world)
- ATO Agent webinars (seems to be held monthly with the ATO view on what you need to hear)
- ICB Technical webinars (an increasing array of webinars designed to provide you with the topics relevant to our changing world)

Visit our [CPE opportunities page](#)

Visit our [Network Meetings page](#)

Visit our [Webinars page](#)

Visit [ATO training page](#)

[MYOB training](#) opportunities

[Reckon training](#) opportunities

[Intuit Quickbooks](#) online training

[Xero training](#) page

[Return to top](#)

TPAR Lodgement Date is Ridiculous

TPAR lodgement date program

I include the content from an email recently received from a member in relation to the TPAR lodgement date. This is a matter presented by members of BASAAG to the ATO since prior to the implementation of the system however no consideration has been provided by the ATO. Maybe this could generate further consideration

I'm not sure whether this is the right way to have a bit of a whinge about the TPR lodgement date. Perhaps you can pass this on to whoever might be able to have a chat to those in the know at the ATO?

The lodgement date of the 21st July for the TPR is ridiculous. It gives so little time to get all the info checked out and/or updated correctly. It's not as if subcontractors are cut and dried. They are sometimes as clear as mud, so some serious checking needs to be done before we send all this info off to the ATO.



To only allow 3 weeks after the end of the financial year gives no time for bookkeepers to balance all the June figures. Believe it or not, some business owners are not always prompt in getting all their paperwork together quickly for us to be able to turn it all around within 3 weeks at this time of the year with all the PAYG and BAS reporting that also needs to be done, though in a much more workable time frame.

Considering that the electronic lodgement of the BAS is not due till 25 August and the PAYG Annual Report not due till 14 August, I see no reason why the ATO is in such a hurry to get this particular report mid July.

It would be good to have this TPR lodgement date changed to either 14 August or later!



[What have you experienced? What are your concerns?](#)

[Return to top](#)

ATO - BAS Agent Lodgement Program 2014 - 2015

ATO issue their new Program details for BAS Agents

Nothing changes
No specific consequence
No Extensions
No different expectations

The concessions as a BAS Agent only apply if you lodge electronically.

1. Lodgement extension for Quarterly BAS

If you lodge the BAS electronically then you receive 1 month extra to lodge.

This is 2 weeks more because you are an Agent.

June BAS you get to 25 August

September BAS you get to 25 November

December BAS you get to 28 February (Same as everyone else)

March BAS you get to 26 May

2. Monthly Activity Statements December can be lodged by 21 February

No Extension for any other month - all by the 21st of the following month.

NOTE: this means both December and January forms and payments are by 21st February.

3. Employee Payment Summary

Still must be provided to the employees by the 14th July but BAS Agents don't have to provide them to the ATO until the 30 September.

(We have never understood this concession and now in the light of electronic lodgement why would you wait to lodge them - just get it all done at the same time).

Please NOTE that if your client is "Closely Held" so that all employees are family members then the Payment Summaries do not have to be prepared until the Income Tax Returns are being prepared. This is NOT a BAS Agent extension but if your client's fit this scenario then work with the clients Tax Agent.

Eligible clients have until the due date of their 2014 income tax return to lodge their 2014 pay as you go (PAYG) withholding payment summary annual report.

If you have clients who have not been granted the concession, you have until 27 September 2014 to notify the ATO. They won't action any requests received after this date.

Download and complete the [lodgement concession request form](#) which is available on ato.gov.au – by searching for ‘closely held lodgement concession’.

(or click on this link - [ATO - Closely held lodgement concession request form, click here](#))

4. **There is NO minimum lodgement requirement.**

Unlike the TAX Agents who have an 85% requirement, BAS Agents do not have such a hard line. However, if it is observed that you have a poor lodgement record amongst your clients, the ATO are likely to be in touch.

5. **TPAR Taxable Payments Annual Report**

No extension - must be lodged by 21st July

[Return to top](#)

Continued Professional Education

This Month From the ICB Continued Professional Education Webpage

Continued Professional Education

[ICB Network Meetings](#)

Nationally, Monthly

[Terminations Training](#)

Classroom, Perth, WA
31st July, 2014

[Establish and Maintain a Payroll System \(FNSBKG405A\)](#)

Classroom, Balcatta, WA
31st July, 2014

[Xero Accounting and Payroll](#)

Classroom, Perth, WA
14th August, 2014

[Microsoft Excel Visual Basic](#)

Classroom, Perth, WA
14th & 15th August, 2014

[Bookkeeping using MYOB](#)

Classroom, Perth, WA
19th August, 2014

[Carry out Business Activity Statements \(FNSBKG404A\)](#)

Classroom, Balcatta, WA
21st August, 2014

[The 5 most common HR disasters..... and how to avoid them](#)

Webinar
27th August, 2014 AEST

[Xerocon 2014](#)

Sydney
21st & 22nd August, 2014

[Reckon National Conference](#)

Sydney
21st - 23rd August, 2014

[MYOB Partner Connect 2014](#)

Nationally
Various dates throughout August 2014

[MYOB News Channel - The latest breaking news online](#)

Webinar
Various dates and times

[Fantastic Ways with Formulas in Excel](#)

Webinar
Various dates and times

[Terminations - The Association of Payroll Specialists \(TAPS\)](#)

Workshop, Various locations
Various dates

[Foundations of Payroll - The Association of Payroll Specialists \(TAPS\)](#)

Workshop, Various locations
Various dates

[Return to top](#)

Question For You to Discuss This Month??



This month's question for you all to debate at your network meeting is:

You have a business owner who has a “cash out” option as part of their business, allowing customers to take out cash when paying for goods. At the end of the quarter the accountant gives you a journal to reduce the amount of income to cover the cash going out to customers.

Is this the correct way of dealing with “cash out” transactions?

Let us know your thoughts and solutions by posting comments on the Q & A Space.



[Let us know your queries you would like addressed here](#)

Last month we asked you:

My client is leasing medical practitioner rooms from a business partnership. The supplier has provided a lease agreement that does not state their ABN. Their accountant has said this is sufficient to act as an invoice, and that because they are not registered for GST and therefore not making a taxable supply, no ABN or invoice is required by us.

Is this correct?

The suppliers are refusing to re-issue the lease agreement or an invoice, but on pressing the accountant for details, we have now received the ABN of the partnership via email from the accountant.

ICB's Response:

If the lease agreement states the supplier ABN, business name details, amount of the lease, period of the lease, details of when payments are due, etc, and as such reflects what would normally be shown on a valid tax invoice, then the lease agreement will then be sufficient to act as a tax invoice for the period of the lease.

If however it doesn't contain all this information then you would need to receive a tax invoice prior to each payment, as you would expect from any creditor.

The ABN must be stated whether a business is registered for GST or not. We do not understand why the accountant would advise that a lease agreement between a business partnership and another business entity does not need to include the ABN. The accountant is not quite right in saying that an invoice is not required. The basic issue here for your client is business records. Under tax law, if you operate a business, you are required to keep all records relating to income and expenses. If an entity, (ie your client), is claiming a business expense, they must have a valid tax invoice or document that supplies the equivalent information (eg in your case, a lease agreement). The fact that there is no tax included in the invoice/document is irrelevant. A business claiming a business expense must have something tangible to prove the commercial arrangement that has been entered into, regardless of GST registration. Your client would not be able to claim the expense of the rent if there were no valid documents to prove the nature of the expense.

In an ideal world, the lease agreement would have the ABN included in it, to prove who the entity is that is being paid.

However, you have been given the ABN by the accountant and this is fine. We recommend that you print/save/scan all emails or other correspondence pertaining to the lease agreement, terms, ABN, etc and file them together for future reference.

From the ATO: Requirements of tax invoices

Tax invoices for taxable sales of less than \$1,000 must include enough information to clearly determine the following seven details:

1. that the document is intended to be a tax invoice
2. the seller's identity
3. the seller's Australian business number (ABN)
4. the date the invoice was issued
5. a brief description of the items sold, including the quantity (if applicable) and the price
6. the GST amount (if any) payable – this can be shown separately or, if the GST amount is exactly one-eleventh of the total price, as a statement such as 'Total price includes GST'
7. the extent to which each sale on the invoice is a taxable sale (that is, the extent to which each sale includes GST)

In addition, tax invoices for sales of \$1,000 or more need to show the buyer's identity or ABN.

For related information:

- ICB - [Record Keeping resources](#)
- ATO - [Issuing Tax Invoices](#)
- ATO - [When You Need a Tax Invoice](#)

[Return to top](#)

Upcoming Network Meetings



Join a network meeting this month, not just to share, but to also network and keep informed.

All ICB Network Facilitators volunteer their time to assist ICB in keeping you up to date and informed and without the help of these fantastic people these valuable meetings would not happen.

If you are unable to attend your local meeting due to time restraints or there isn't a meeting in your area, why not join us via webinar on the 2nd week of each month.

Webinars		
Online 8th August, 2014 - 12pm (AEST)	Online 11th August, 2014 - 5pm (AEST)	
Queensland		
Gold Coast (am and pm sessions) 12th August, 2014	Brisbane North 12th August, 2014	Brisbane South 19th August, 2014
South Sunshine Coast 14th August, 2014	North Sunshine Coast 8th August, 2014	Logan 20th August, 2014
Moreton Bay 11th August, 2014	Bundaberg 19th August, 2014	Hervey Bay 8th September, 2014
Cairns 1st August, 2014	Toowoomba 15th August, 2014	Townsville 8th August, 2014
Ipswich 12th August, 2014		

New South Wales		
Sydney - Balmain 18th August, 2014	Sydney - Moorebank 13th August, 2014	Sydney - Randwick 13th August, 2014
Sydney - Brookvale 4th August, 2014	Sydney - Hornsby 14th August, 2014	Shoalhaven 1st September, 2014
Bathurst 19th August, 2014	Ballina 8th August, 2014	Bellingen TBA
Blue Mountains 18th August, 2014	Central Coast 13th August, 2014	Newcastle 18th August, 2014
Port Macquarie 12th August, 2014	Dubbo 18th September, 2014	Orange 25th September, 2014
Sutherland 20th August, 2014		
ACT		
Canberra - Phillip 12th August, 2014		
Victoria		
Burwood 13th August, 2014	Mordialloc 12th August, 2014	Docklands 12th September, 2014
Frankston 14th August, 2014	Narre Warren 13th August, 2014	Lilydale 1st August, 2014
Macedon Ranges 19th August, 2014	Geelong 26th August, 2014	Point Cook 8th August, 2014
Cobram 7th August, 2014	Horsham TBA	Sale 14th August, 2014
Yarra Valley 8th August, 2014	Bulleen 12th August, 2014	Chadstone 11th August, 2014
Western Australia		
Balcatta 12th August, 2014	Bunbury 27th August, 2014	Melville 13th August, 2014
Joondalup 25th August, 2014	Noranda 13th August, 2014	Cockburn Central 20th August, 2014
Kalgoorlie 8th August, 2014		
South Australia		
South Adelaide 7th August, 2014	Henley Beach 15th August, 2014	Para Hills 13th August, 2014
Unley 31st July, 2014	Mt Barker 5th August, 2014	
Tasmania		Northern Territory
Hobart 15th August, 2014	Launceston TBA	Darwin 11th August, 2014

These meetings are conducted in a relaxed and informal environment to promote discussion amongst those attending the meetings.

No meeting in your area?

We are always on the lookout for facilitators to run meetings in their local area so if you are interested please contact Rick Van Dyk at rick@icb.org.au



ICB Network Meetings are proudly supported by MYOB

[Return to top](#)

Other Things Happening in the World

The Personality that Succeeds in Customer Support

The role of a bookkeeper could be considered that of being perpetually in "Customer Support".

Helping the business management and operators know how to do things.

An interesting Article - [Personality in Support](#)

[Return to top](#)

From the ICB

This Month...

JULY

Business Newsletter - eBrief - July 2014



The July 2014 Bookkeeping eBRIEF is now available for you to download.

- [July 2014 Bookkeeping eBRIEF](#)

[Back copies are available here](#)

"The best bookkeepers using the best resources".

[Return to top](#)



What's New This Month

New Resources

- Development Plans for a Business - [Link](#)
- Dispute Resolution - [Link](#)

News Items

- [Did you make errors or....](#)
- [BAS Agents can lodge TPAR](#)
- [Nil TPAR Lodgement](#)
- [Clearing House complies](#)
- [MYOB Pay SuperStream](#)
- [MYOB PayDirect Bluetooth Release](#)

- [Private Health Insurance Rebate](#)
- [AUSkey / ECI issues](#)
- [ATO Tax Tables](#)
- [Fairwork new pay rates](#)

ICB Q & A Space News

During July [My charge rate](#) is drawing a lot of attention and some very good advice! [Accounting Software Programs](#) is offering a great deal to consider, master one package or dabble in more? What is your opinion? Also, there is a business based in [Darwin looking for a QuickBooks bookkeeper](#), are you able to assist, or perhaps you know someone who can.

All the [latest threads](#) can be viewed here.

Feel free to ask your questions regarding any issue you may be having or if you require clarification, we are here to help.



[The Latest Updates lists all the topics in order of replies](#)

[Return to top](#)

Products and Solutions

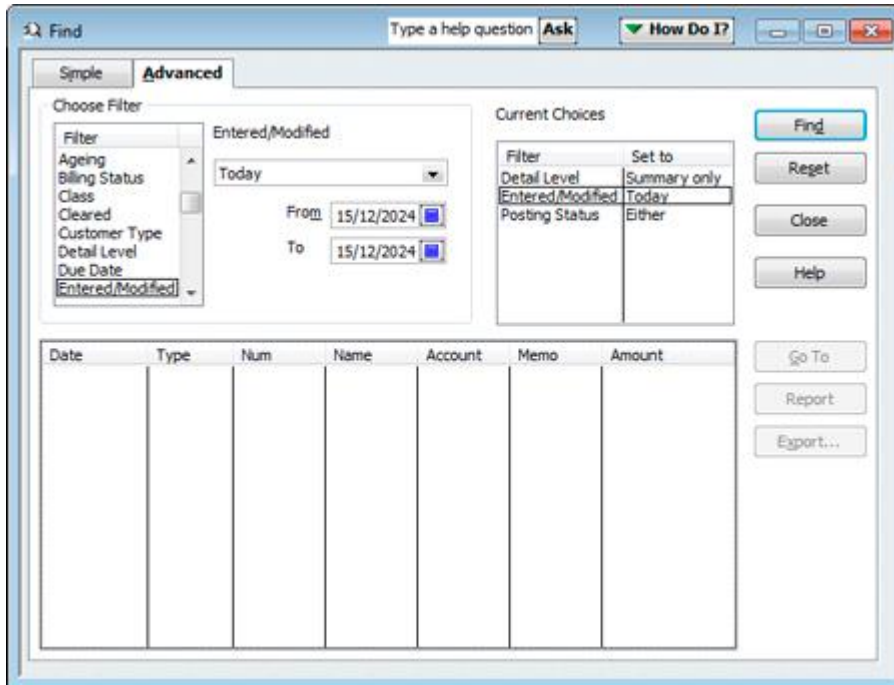
Reckon: How do I find transactions entered today?

How do I find transactions in Reckon Accounts that have been entered today, which may have different transaction dates?

1. Navigate to drop down menu Edit > Find.



2. Click on the Advanced tab.



For the full instructions on how to find transactions in [Reckon Accounts](#), [click here](#).

[Return to top](#)

From the ATO

ATO Driving Change

ICB attended the recent ATO Drivers of Change conference discussing how the ATO is adapting to technology changes and changing its technology delivery.

See separate article in this July newsletter on ATO technology.

For more details, [click here](#).

The key strategic papers

- [Drivers for Change - Conference Snapshot](#)
- [TPB Presentation - Drivers for change](#)
- [Tax Administration Transformation Reinventing the ATO](#)

[Return to top](#)

ATO Corporate Plan 2014 - 2018 - An Interesting Read

The Australian Taxation Office has set out on a path of reinvention. This journey over the next few years focuses them on changing how they operate to better meet the needs and expectations of the community.

They have created a dedicated program for transforming the client experience while they continue to deliver high-quality customer service.

Priorities for 2014 – 2018

- **Strategy 01**
Build a culture that embodies our values and transforms the client experience

- **Strategy 02**
Simplify interactions, maximising automation and reducing costs
- **Strategy 03**
Connect with the community and other agencies in meaningful ways
- **Strategy 04**
Influence policy and law design for more certain outcomes
- **Strategy 05**
Use data in a smarter way to improve decisions, services and compliance
- **Strategy 06**
Reshape the workforce to optimise capability and performance

A PDF copy of the [ATO Corporate Plan 2014-18](#) is available to download here.

[Return to top](#)

ATO Portal Maintenance - Scheduled Downtimes

See [this link for scheduled times](#) for the full guide to system maintenance and issues.

Upcoming scheduled portal system maintenance:

Scheduled Start Time	Scheduled Finish Time
Saturday 2nd August 6.00pm AEST	Sunday 3rd August 6.00am AEST
Saturday 13th September 6.00pm AEST	Sunday 14th September 6.00am AEST

[Return to top](#)

ATO Offers In-House Dispute Resolution Facilitation

If you wish to dispute a decision reached by the ATO, for example, after an audit has been conducted, you can use this service now offered directly by the ATO if you cannot resolve the matter directly with the case manager.

In-house facilitation is one aspect of the ATO's dispute resolution strategies. The facilitation service aims to resolve disputes quickly, provide certainty for you and your clients and avoid unnecessary litigation.

The facilitators work independently of the other areas of the ATO; they are not connected with any audit department and will not make a decision on the dispute. Their role is to facilitate discussion between you, your client and the ATO case officer assigned to the matter, in order to consider options and alternatives and attempt to reach an agreement about the matter.

Facilitation may be requested by you or your client or may be suggested by the ATO case manager.

For more detail on the facilitation process and what to expect, [see this link](#).

[For the full guide, click here.](#)

[Return to top](#)

ICB Membership Statistics as at 30th June, 2014

3,792

2,519 Members maintain Fellow, Member, Associate, Affiliate and Educator membership, ICB also has 27 Accredited Training Provider members, 1,227 Student Members and 24 Subscriber Members.

[Return to top](#)

ICB Supporters and Sponsors



[Return to top](#)

Please note that, in between newsletter issues, articles may be published straight to the *Latest News* section of the website. Please check the headlines which can be found in the top right of the website homepage, to ensure you stay up-to-date.

The Institute of Certified Bookkeepers complies with the Spam Act 2003 and we have a documented [Spam Policy](#) on our website. You can unsubscribe from ICB newsletters and updates [here](#).

ICB's Newsletter contains news articles, links and regular sections that we feel will be of interest. If there is anything that you would like to see, whether a regular feature or a one-off, please let us know. Email your ideas to admin@icb.org.au

The monthly Newsletter for members of the Institute of Certified Bookkeepers.

A selection of those articles listed are accessible by ICB Members **ONLY** - ICB Members, you will need to be logged onto the ICB website to view all the articles in full.

The newsletter of ICB is designed as information and resources for Bookkeepers with clients and also bookkeepers in employment.

The content of the newsletter maybe relevant in part or in whole to other publications or other purposes.

The ICB withholds all rights of all content that is restricted to member access only and that information included in the member newsletter. Member only information is not to be reproduced without specific consent from ICB.

The ICB permits reproduction of ICB articles and material contained in the non-members newsletter and available publicly on the website on the proviso that acknowledgement of ICB is specifically provided including links to the ICB website and original article. eg "This information has been obtained from the Institute of Certified Bookkeepers from www.icb.org.au"