



THE INSTITUTE
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BOOKKEEPERS





ATO Lodgement Dates

Review Assets Bought and Sold

Fixed assets are commonly known as property, plant and equipment and is an accounting term for assets that cannot be easily converted into cash. Therefore, the allocation of assets is important to ensure the asset is flagged for review by the accountant to either expense the asset (depending on the value of the asset and threshold of the day) or depreciate the asset over a period of time or life of the asset.

ICB recommends seeking the accountant's advice on how they wish assets less than the threshold (see below table) are to be allocated to ensure profitability of the business is not distorted.

Review Asset Thresholds

Thresholds 2018-2019		
Type	Threshold	Conditions
Capital Acquisitions - turnover > \$10 million 	<\$100 (Inc GST)	Write off to expense account
	\$100-\$1,000 (Ex GST)	Allocate to Fixed Asset account e.g. "Business Assets Low Value"
	>\$1,000 (Ex GST)	Allocate to Fixed Asset account e.g. "Business Assets"
From 7:30pm 2/4/19 - turnover \$10-\$50 million	<\$30,000 (Ex GST)	Allocate to Fixed Asset account (Talk with accountant)
Capital Acquisitions - Small Business Concessions (turnover less than \$10 million)	Assets purchased <\$20,000 (Ex GST) to 29/01/19 	Allocate to Fixed Asset account(Talk with accountant)
	<\$25,000 (Ex GST) From 29/01/19 to 7.30pm 02/04/19	Write off to Fixed Asset account (Talk with accountant)
	<\$30,000 (Ex GST) after 7.30 pm 02/04/19	
Luxury Car Tax Fuel Efficient Car Limit Other vehicles	\$75,526 (2018/2019)	
	\$66,331 (2018/2019)	
Vehicle Limit GST claimable	\$57,581 (2018/2019) Maximum GST claimable \$5,235	

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:

May Activity Statement
21 June 2019

June Activity Statement
21 July 2019

July Activity Statement
21 August 2019

BAS Quarterly Lodgements

Final dates for lodgements and payments:

4th Quarter 2019 Financial Year:
June Quarter 2019 (incl. PAYGI)
28 July, 2019

1st Quarter 2020 Financial Year:
September Quarter 2019 (incl. PAYGI)
28 October, 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:

4th Quarter 2019 Financial Year:
April to June 2019 – contributions must be **in the fund** by 28 July, 2019

1st Quarter 2020 Financial Year:
July to September 2019 – contributions must be **in the fund** by 28 October, 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.

Allocation of Assets

With the new instant asset write off laws that the ATO has released it is recommended that you still enter these big capital items into the capital area on the balance sheet. The accountant then will make the determination at the end of the year to either write off to expense or capitalise depending on where the business is sitting financially.

Alternatively, you could request in writing at time of purchase where the accountant would like you to code the items and then follow their instructions.

National Minimum Wage Increase

The Fair Work Commission has handed down its decision to increase the national minimum adult wage by 3%. This increase will be applicable from the first full pay period commencing on or after 1 July 2019.

The new adult National Minimum Wage will be \$740.80 per week or \$19.49 per hour. This constitutes an increase of \$21.60 per week to the weekly rate.

No changes take effect until the first full pay period on or after 1 July 2019. However, all employers should refer to the appropriate awards covering their employees.

To find out what is required to update your software, please call us.



Super contributions - too much can mean extra tax

There are caps on the amount you can contribute to your super each financial year to be taxed at lower rates. If you contribute over these caps, you may have to pay extra tax.

The cap amount and how much extra tax you have to pay may depend on your age, which financial year your contributions relate to, and whether the contributions are:

- concessional (before tax)
- non-concessional (after tax)

To find out how much you contributed into your super fund to ensure you don't go over the caps, contact your super fund.

Concessional contributions cap

Concessional contributions include:

- employer contributions (including contributions made under a salary sacrifice arrangement)
- personal contributions claimed as a tax deduction.

If you have more than one fund, all concessional contributions made to all of your funds are added together and counted towards the concessional contributions cap.



Table 1.1: Concessional contributions caps

Income year	Date	Your age at this date	Your concessional contribution cap
2019–20		All ages	\$25,000
2018–19		All ages	\$25,000
2017–18		All ages	\$25,000
2016–17	30 June 2016	<49	\$30,000
2016–17	30 June 2016	49+	\$35,000
2015–16	30 June 2015	<49	\$30,000
2015–16	30 June 2015	49+	\$35,000
2014–15	30 June 2014	<49	\$30,000
2014–15	30 June 2014	49+	\$35,000
2013–14	30 June 2013	<59	\$25,000
2013–14	30 June 2013	59+	\$35,000

Excess concessional contributions from 2013–14 onwards are included as taxable income, taxed at the marginal tax rate plus an excess concessional contributions charge.

For 2012–13 and earlier years, excess concessional contributions were taxed at 46.5% (15% levied in the super fund, with an additional 31.5% payable).

Unused concessional cap carry forward

From 1 July 2018 if you have a total superannuation balance of less than \$500,000 on 30 June of the previous financial year, you may be entitled to contribute more than the general concessional contributions cap and make additional concessional contributions for any unused amounts.

The first year you will be entitled to carry forward unused amounts is the 2019–20 financial year. Unused amounts are available for a maximum of five years, and after this period will expire.

Table 2: Unused concessional cap carry forward

Description	2017–18	2018–19	2019–20	2020–21	2021–22
General contributions cap	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Total unused available cap accrued	Not applicable	\$0	\$22,000	\$44,000	\$69,000
Maximum cap available	\$25,000	\$25,000	\$47,000	\$25,000	\$94,000
Superannuation balance 30 June prior year	Not applicable	\$480,000	\$490,000	\$505,000	\$490,000
Concessional contributions	nil	\$3,000	\$3,000	nil	nil
Unused concessional cap amount accrued in the relevant financial year	\$0	\$22,000	\$22,000	\$25,000	\$25,000

Note: This Table assumes no indexing of general cap.

General concessional contributions cap

From 1 July 2017 the general concessional contributions cap is \$25,000 and is indexed in line with average weekly ordinary time earnings (AWOTE), in increments of \$2,500 (rounded down). From the 2017–18 financial year, the general concessional contributions cap is not calculated based on age.

The thresholds currently sit at \$25,000 for all age levels, but it important to remember that the current threshold have only been in place in recent times.

Please also remember to review your unused concessional cap carry forward thresholds.

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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