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Please ensure you refer to our 2020 Individual Tax Checklist, located on our website under resources>downloads or via the following link [2020 Tax Checklist](#) **If you plan on having your tax completed in July or August please ensure that you can bring the information required to complete your taxation return with you or that we are able to access it prior to booking your appointment.**

NEWS

CORONAVIRUS (COVID-19) PANDEMIC

In light of the recent developments around the Coronavirus (COV-19) pandemic and in an effort to “stop the spread” we encourage clients to this year to take advantage of our online or telephone tax appointments. The appointments are conducted in the same way as face to face appointments, just over the phone or via the internet! As long as we have all the information required to complete your tax return, you will most likely receive your taxation return that day for electronic signing via email, meaning it can still be lodged on the same day!

You can schedule your virtual appointment by phoning the office on (03) 5229 1290 or via booking on the link: <https://SpinellGroupPtyLtdAppointmentScheduling.as.me/VirtualTaxAppointments> please ensure you upload any relevant documentation when booking online, or email them **PRIOR** to your appointment to reception@spinell.com.au

If circumstances require you to attend the office for a face to face appointment, we will be offering these in a reduced capacity. You can book your face to face tax appointment by phoning the office on (03) 5229 1290 or via booking on the link: <https://SpinellGroupPtyLtdAppointmentScheduling.as.me/OfficeTaxAppointments>

ECONOMIC RESPONSE TO THE CORONAVIRUS

If you would like to discuss in any great detail the financial support/payments on offer through the Government, please ensure you book extra time at your tax appointment, so the accountant has enough time to advise you on these assistance packages. Information on assistance on offer is on our website: <http://spinell.com.au/coronavirus-covid-19-info/> please note that while our aim is to help our clients whilst also keeping costs down, they may be an additional charge for lengthy advice or applications for any of these packages.

MORTGAGE INTEREST RATES

With everything that has been going on in the world of recent, one good thing that has eventuated is that interest rates are decreased dramatically. Current interest rates on offer are in the low-mid 2%’s. If you are paying any more than that on your home or investment property loan, now could be a good time to refinance.

We have an affiliation with a local mortgage broker who is able to offer a no obligation comparison on your interest rates. If you would like to take advantage of this and discover the savings you could be making, please bring a copy of your most recent loan statement to your appointment or email it to reception@spinell.com.au

Patrick Klemke
Director
B.Com, CPA, AFP,
Dip FS MB

V. Joseph Dancevic
Associate
M.Bus,B.Bus, Dip.Bus Admin,
FCPA, CFP, FIPA, FTIA

Heleana Harvey
Adv Certificate of Accounting

Melissa Donaldson
B.Com, B.Mgt, CPA

Joanne Klemke
Certificate of Accounting
Certificate of Business Administration

Sarah Moore
Certificate of Bookkeeping

“Supporting you to achieve financial success”

TAXATION

The ATO expects to begin processing 2020 tax returns from the 5th July with refunds being paid out from 16th July. The ATO aims to finalise electronically lodged tax returns within 12 business days.

PERSONAL TAX RATES

The income threshold at which the 32.5% marginal tax rate applies will progressively increase to \$200,000 by 1 July 2024.

Table 1: Personal tax rates and thresholds

Tax rate (excluding Medicare)	2019/20 income thresholds	Proposed income thresholds	
	From 1/7/2018	From 1/7/2022	From 1/7/2024
0%	\$0 - \$18,200	\$0 - \$18,200	\$0 - \$18,200
19%	\$18,201 - \$37,000	\$18,201 - \$45,000	\$18,201 - \$45,000
32.5%	\$37,001 - \$90,000	\$45,001 - \$120,000	\$45,001 - \$200,000
37%	\$90,001 - \$180,000	\$120,001 - \$180,000	Not applicable
45%	> \$180,000	> \$180,000	> \$200,000

PERSONAL TAX OFFSETS

The Low and Middle Income Tax Offset (LMITO) is available again for the 2020 financial year. The amount of offset you are entitled to will depend on your income level and how much tax you have paid throughout the year. The base amount is \$255 up to a maximum of \$1,080. The offset will reduce the amount of tax you pay on your taxable income. This is a non-refundable tax offset, so you can't receive a refund for any unused amount of the offset.

This offset is in addition to the Low Income Tax Offset.

HOME OFFICE EXPENSES

The ATO are allowing a temporary simplified method of calculating home office expenses for those who are required to work from home due to the COVID-19 situation for the period 1 March 2020 until at least 30 June 2020 (may be extended).

If eligible, you can claim a deduction of 80 cents for each hour (as opposed to the current rate of 52 cents per hr).

Please refer to our website for further information: <http://spinell.com.au/blog-posts/working-from-home-during-covid-19/>

MEDICAL EXPENSES

From 1 July 2019, the tax offset for net medical expenses for disability aids, attendant care or aged care is no longer available.

TRANSACTING WITH CRYPTOCURRENCIES

Have you exchanged (sold) cryptocurrency (bitcoin etc) for goods, cash or other cryptocurrencies?

Under most circumstances, people are buying cryptocurrencies with a view to either trading them or as an investment, and as such these transactions are considered a disposal for the purposes of capital gains tax. The capital gain (or loss) must be including in your taxation return. If this is applicable to you, please ensure you bring information relating to the purchase and selling of cryptocurrency.

The ATO now has a cryptocurrency data matching program and are finding a lot of taxpayers are omitting this information from their tax returns.

PROPOSED EXTENSION OF THE \$150K INSTANT ASSET WRITE OFF

The Government is proposing to extend the instant asset write off of \$150,000 for a further 6 months to the 31st of December 2020. This proposed change is subject to parliamentary process and is not yet law.

SUBSTANTIATION OF TAX DEDUCTIONS

Please remember that all tax deductions must be substantiated with invoices, receipts, travel diaries and/or other documentation. Failure to substantiate the deductions will result in disallowance of the claim, payment of tax, potential penalties and interest.

FEES

The cost of a standard tax return will remain the same this year. **The fee is \$150 for payments made on the day** of the appointment (for those who do not pay on the day, the fee will be \$190).

TAXATION SOURCE DOCUMENTATION

Please be aware that while we are able to access some of your information directly from the ATO tax agents portal, it is dependent on the third party provider having your TFN and submitting this information to the ATO. **If you plan on having your tax completed in July or August please ensure that you can bring the information with you or that we are able to access it prior to booking your appointment.**

We have been advised of the following:

Income Statements (formerly known as PAYG Summaries)

- Employers with 20 or more employees are required to have income statements finalised by 14th July 2020*
- Employers with 19 or less have until 31st of July 2020 to finalise*
**you may be required to amend you taxation return if you lodge your taxation return prior to your employer finalising your income statement. Our fee for amended tax returns begin at \$75. We suggest you wait until your income statement is finalised before having your tax return prepared.*

Private Health Insurance Statements

- Health funds are no longer required to issue these to their clients. They are usually available on the tax agents portal around mid-August

Share Dividends

- Is dependent on the issuer having your TFN. Some information is not available to Aug/Sep

Bank Interest

- Is dependent on the bank having your TFN

Managed Fund Investments Annual Tax Statements:

- Usually not available until September

It is best practice to bring this information with you regardless, so the information that has been reported can be verified.

ELECTRONIC SIGNING OF DOCUMENTS

For faster refunds (if applicable) please provide your email address to enable electronic signing.

SUPPORTING THE AUSTRALIAN ECONOMY



A recent study by Bond University found that 25% of accounting firms they surveyed offshore some accounting work to overseas.

At Spinell Group, we are proud to let our clients know that we **DO NOT** offshore any of work to other countries and proud to be supporting the Australian Economy and keeping Australian residents in jobs in these difficult times.

The stats from the survey were as follows:

- 1,225 Accountants from 1160 firms were surveyed
- 25% of accounting firms were offshoring some work
- Of those offshoring, they were offshoring an average of 27% of their work
- 63% of offshoring firms are planning to increase their use of offshoring in the next 2 years with an average target to offshore 51% of their work
- Of those who offshore, 53% send work to the Philippines, 39% to India, 16% to Vietnam, 2% to China and the other 7% to other countries.

The main reason for offshoring work, is to reduce labour costs. These accounting firms are most likely not passing on these savings to their clients, instead using it to increase their profits.

SCAMS

Scam activity is increasing. As a way to help protect yourself, do not give out any personal information over the phone or via email, especially bank account details, drivers licence number or tax file number. Also, do not click on any links from emails that you receive asking you to confirm your details. Contact us if you are unsure.

BUDGET 2020-2021

Due to the Coronavirus, the date for **Federal Budget 2020-2021** has been delayed by the Federal Government - it will be handed down in Parliament on October 6th 2020.

TAXABLE PAYMENTS ANNUAL REPORT

The requirement to lodge a taxable payments report has been extended to those that provide Road Freight Services; Information Technology Services; and Security, Investigation or Surveillance Services from the 2019 financial year, with the first reports for these industries due 28th August 2020.

If you conduct business in these industries, you can find out more about what is required on our website <https://www.ato.gov.au/Business/Reports-and-returns/Taxable-payments-annual-report/> or contact us for further information.

WEBSITE & SOCIAL MEDIA

Please visit our website at www.spinell.com.au and be sure to follow us on social media!



<https://www.facebook.com/spinellaccounting/>



<https://twitter.com/SpinellGroup>



<https://www.linkedin.com/company/spinell-group-pty-ltd/>

FEES CHARGED FOR COPIES OF DOCUMENTS

We are often asked to provide copies of tax returns, financial statements and Notices of Assessment to other parties such as a finance/mortgage brokers. This can be a time consuming and costly exercise for us.

Because we provide you with a full copy at the time we complete your income tax returns we will need to **charge \$55 for any additional hard copies or \$33 for emailed copies.**

Please ensure that you keep your copy on file for future reference or to pass on to anyone who may require it. If you would prefer to have a soft copy emailed to you (instead of the hard copy), please let us know at the interview.

STAFF NEWS

Appointments – Joe Dancevic

Joe will continue to work 3 days per week whilst utilising his days off to pursue other interests. Because of his reduced working hours, it will take a little longer to obtain an appointment to see him. Tax appointments with Joe are only available by phoning the office on (03) 5229 1290. Other members of staff will be happy to see you, and will also have access to your tax information.

Staff Leave

Jo (Joanne) will be taking maternity leave in early July to welcome her second child. We wish Jo well and look forward to welcoming her back in the first half of next year.

CLIENT REFERRALS

If you have family or friends that would benefit from any of our services, please don't hesitate to hand them one of our business cards. We are only too happy to make sure that they receive the great level of service that they deserve.

OTHER SERVICES OFFERED

In addition to our **accounting and income tax services** we are also able to assist you with the following:

FINANCIAL PLANNING

Investment Advice; Superannuation Advice; Wealth Accumulation Strategies; Retirement Planning; Shares, Managed Funds & Property Trusts

RISK PROTECTION

Life Insurance, Total Permanent Disablement Insurance; Income Protection Insurance; Trauma Insurance

HOME LOANS

Home Loans, Investment Property Loans, Home Extension/Improvement Finance;

Debt Consolidation/Restructure; Property Development; Commercial, Residential and Industrial Real Estate.

FINANCE

Finance for Industrial Plant & Equipment; Motor Vehicles; Office Equipment; Building Fit Outs; Telecommunications Equipment; Livestock; Agricultural Plant & Equipment.

SMSF SERVICE

If you are involved with a Self-Managed Superannuation Fund (SMSF) or would like to be, we can help you with administration, accounting and taxation services.

BOOKKEEPING

General Bookkeeping, Payroll, Cloud Accounting Conversion and Set Up, Debtor/Creditor Management, Bank Reconciliations, Cash Flow Management, Management Reporting

APPOINTMENT AVAILABILITY

As always, we have extended our operating hours for the busy tax period (1st July-30th September). Appointments are available on weekdays between 9:30am and 7:30pm. Saturday appointments are also available between 9:30am – 4:00pm.

Regular business hours apply from October.

To see our full availability, please follow the link below to book online:

<https://spinellgroupptyltdappointmentscheduling.as.me/schedule.php>

Looking forward to seeing you soon – **Patrick, Joe, Heleana, Melissa, Jo & Sarah**