



# Spinell

Accounting Group Pty Ltd

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Please ensure you refer to our 2021 Individual Tax Checklist, located on our website under resources>downloads or via the following link [2021 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

Well, what a year we have all had! The Coronavirus (COVID-19) Pandemic caused devastating health effects and triggered massive financial consequences on the economy. It also changed the way a lot of businesses operate.

Due to the uncertainty around the pandemic and to help “stop the spread” we are again encouraging 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 (you can even get it done in your lunch break!) 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!

Face to face appointments are still available in a limited capacity. Please ensure that you check in with the QR code when attending our office. Appointments are available by telephoning the office on (03) 5229 1290 or via booking online [Schedule Appointment with Spinell Group Pty Ltd \(as.me\)](#)

### 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 high 1%'s (fixed) to mid 2%'s (variable). If you are paying any more than that on your home or investment property loan, now could be a good time to refinance. Refinancing your mortgage can be one of the easiest ways to reduce your expenses.

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](mailto:reception@spinell.com.au)

### SUPERANNUATION GUARANTEE

The Super Guarantee (SG) is scheduled to increase from 9.5% to 10% on 1 July, 2021.

### INCREASE TO MINIMUM WAGE

The Fair Work Commission has announced a 2.5% increase to the national minimum wage. The new national minimum wage will be \$772.60 per week or \$20.33 per hour.

**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**  
*Diploma of Accounting*  
*Certificate of Business Administration*

**Sarah Moore**  
*Certificate of Bookkeeping*

*“Supporting you to achieve financial success”*

## TAXATION

The ATO expects to begin processing 2021 tax returns from the 7<sup>th</sup> July with refunds being paid out from 16<sup>th</sup> July. The ATO aims to finalise electronically lodged tax returns within 12 business days.

## PERSONAL TAX RATES

Tax scale changes from the previous year came from tax cuts brought forward as part of the “JobMaker Plan – bringing forward the Personal Income Tax Plan” contained in the 2020-2021 budget and resulted in the following adjustments:

- The 19% rate ceiling was lifted from \$37,000 to \$45,000; and
- The 32.5% tax bracket ceiling was lifted from \$90,000 to \$120,000

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

See Personal Tax Rates table: [Tax & Other Rates | Spinell Group](#)

## PERSONAL TAX OFFSETS

The Low and Middle Income Tax Offset (LMITO) is available again for the 2020-2021 financial year and subject to passing law has been further extended to include the 2021-2022 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.

This offset is in addition to the Low Income Tax Offset which has been increased from \$445 up to \$700 for the 2020-21 and later income years.

**Offsets will reduce the amount of tax you pay on your taxable income. These offsets are non-refundable tax offsets, so you cannot receive a refund for any unused amount of the offsets.**

Refer to tax offset tables: [Tax & Other Rates | Spinell Group](#)

## HOME OFFICE EXPENSES

The ATO have extended their temporary simplified ‘shortcut method’ of calculating home office expenses for those who are required to work from home due to the COVID-19 pandemic for the period of the 2020-21 financial year.

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

For further information regarding the various methods for calculating home office expenses and the records you need to keep, please refer to the ATO website [Home office expenses | Australian Taxation Office \(ato.gov.au\)](#)

## 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.

## ECONOMIC STIMULUS MEASURES

The government implemented a number of measures to help businesses recover from the impact of the coronavirus pandemic (COVID-19).

Most of these measures relate to claiming tax concessions, deductions, and depreciation of assets at tax time. They will support businesses through the economic impacts of COVID-19 for the 2020–21 and 2021–22 financial years. For more information speak to your accountant or refer to the ATO website: [Economic stimulus measures | Australian Taxation Office \(ato.gov.au\)](#)

## FEES

Our last fee increase occurred in 2018, this year due to increasing costs to us, we have made the necessary decision to slightly increase our fees. **The fee for a standard tax return is \$160 for payments made on the day** of the appointment (for those who do not pay on the day, the fee will be \$200).

## 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.

The ATO has sophisticated data matching processes in place and will be focusing on the following this year:

- Individuals with higher than average deductions compared to others in the same occupation
- Air BnB and rental income
- Deductions identical to the previous year
- Motor vehicle expenses – ATO expects these to much lower
- Occupations claiming home office expenses that would not necessarily work from home (i.e retail trade)
- Claiming other home office expenses when using the ATO 80c/hr shortcut method.

## 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 dates for access to commonly required taxation source documentation: [TAXATION SOURCE DOCUMENTATION \(spinell.com.au\)](http://spinell.com.au)

## ELECTRONIC SIGNING OF DOCUMENTS

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

## 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 2021-22

Some of the measures in the 2021-22 Federal Government Budget include:

- The requirement to exclude the first \$250 of deductions in the calculation of self-education expenses is to be removed (awaiting legislation)
- From 1 July 2022, eligible employees who earn less than \$450 per month will be paid super guarantee by their employer if they satisfy the other eligibility requirements
- Super downsizer (sale of principal residence) contributions age threshold is to be reduced to 60 years (from 65) – with effect from 1 July 2022
- Companies loss carry-back availability to be extended for a further year until 30 June 2023
- Childcare Subsidy cap of \$10,560 to be removed for families with incomes up to \$353,680. To commence 1<sup>st</sup> July 2022.
- The Work Test for voluntary super contributions currently required of older persons (aged 67 to 74) to be removed, subject to legislation expected to take effect from 1 July 2022
- Business instant asset temporary full expensing to be extended for a further year until 30 June 2023

## STAFF NEWS

### Appointments – Joe Dancevic

Joe has reduced to 2 working days whilst utilising his days off to pursue other interests, as a result Joe will not be taking any tax appointments this year. Other members of staff will be happy to see you and will also have access to your tax information and are able to consult with Joe if the need arises.

## WEBSITE & SOCIAL MEDIA

Please visit our website at [www.spinell.com.au](http://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.

## 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 (1<sup>st</sup> July-30<sup>th</sup> September). Appointments are available on weekdays between 9:30am and 8:00pm. Saturday appointments are also available between 9:30am – 5:00pm.

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**