



- Financial Planning
- Portfolio Reviews
- Investment Advice
- Estate Planning
- Retirement Planning
- Insurance Reviews

- Business Consulting
- Accounting
- Taxation
- Corporate Governance
- Insolvency
- Forensic Accounting
- Auditing
- Financial Management
- Corporate Planning
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TAX PLANNER

2014:2015



INDIVIDUALS

Tax Rates (Resident)					
2013/2014			2014/2015		
Taxable Income \$	Tax \$	% on excess	Taxable Income \$	Tax \$	% on excess
18,200	Nil	19	18,200	Nil	19
37,000	3,572	32.5	37,000	3,572	32.5
80,000	17,547	37	80,000	17,547	37
180,000	54,547	45	180,000	54,547	47*

* includes 2% budget repair levy

Medicare levy of 1.5% of taxable income applies in 2013/14, and 2.0% in 2014/15. High income taxpayers pay an additional surcharge if they don't have adequate private hospital cover. Income brackets 'Adjustable Income for MLS purposes' (adjusted at the rate of \$1,500 for each dependent child after the first) and surcharge rates follow:

Income Bracket	2013/2014	2014/2015
- Singles	<\$88,000	\$88,001 - \$102,000
- Families	<\$176,000	\$176,001 - \$204,000
Rate	0%	1%

HIGHER EDUCATION LOAN PROGRAM (HELP) (formerly HECS)

HELP is repaid through the income tax system once the recipients HELP Repayment Income (HRI) exceeds \$51,309 (2013/2014), \$53,345 (2014/2015). Repayments are calculated as a % of HRI commencing at 4% and increasing on a sliding scale to 8% on taxable income of \$95,288 (2013/2014), \$99,070 (2014/2015) and above.

HRI = Taxable income plus any total net investment loss (including net rental losses), total reportable fringe benefit amounts, reportable super contributions and exempt foreign employment income.

Voluntary repayments made to the Australian Taxation Office of \$500 or more will attract a 5% bonus (excludes repayments through the income tax system).

MOTOR VEHICLE C/KM DEDUCTION

Engine capacity - Normal	Engine capacity - Rotary	2013/2014 Rate (c/km)
0 - 1,600cc	0 - 800cc	65c
1,601cc - 2,600cc	801 - 1,300cc	76c
>2,600cc	>1,300cc	77c

Claim limited to first 5,000 business kilometres.

DEPRECIATION COST LIMIT

For vehicles used during	Rate \$
2013/2014	57,466

The limits are placed on the depreciable cost of new and second hand motor vehicles and station wagons (including four wheel drive vehicles). Input credits are also limited to 1/11th of the depreciation cost limit.

DIVISION 7A LOANS

Company loans to shareholders require minimum repayments. For the year commencing 1 July 2014 the minimum interest rate is 5.95% (2013 - 6.20%).

COMPANY & SUPERANNUATION FUND TAX PAYMENTS & LODGEMENT

Company/Superannuation Fund	Balance of tax payable	Lodgement due date
Small - turnover <\$2m	15 May 2015	15 May 2015
Medium - turnover \$2m - to <\$10m	31 March 2015	31 March 2015
Large or non-complying fund turnover >\$10m & taxable prior year	1 December 2014	15 January 2015
Large, new company/fund or non-complying fund, turnover >\$10m and non-taxable prior year	28 February 2015	28 February 2015

SUPERANNUATION CONTRIBUTIONS

Employer Contributions

The SGC rate for 2014/2015 is 9.50% and will be frozen at this rate until 2018 if passed by parliament. The maximum earnings base that an employer is required to remit super contributions on is \$49,430 per quarter for 2014/2015. Self employed, unsupported members and employees who meet the 10% rule are entitled to a tax deduction for personal superannuation contributions.

2014/2015 concessional contribution cap

Aged under 49 on 1/7/14 \$30,000 Aged 49 or over on 1/7/14 \$35,000

From 1 July 2013 concessional contributions in excess of the cap will be included within an individual's assessable income in the year in which it is paid along with a non-refundable tax offset of 15% of the excess. The excess contributions charge will apply from 1 July 2013 when the first assessment is issued up to the due date. General Interest Charge can also apply if paid late.

Non-Concessional Contributions

2014/2015 non-concessional cap is \$180,000 & bring forward being \$540,000 (under 65 years)

Non-concessional contributions in excess of the cap will be able to be refunded from the super fund. Earnings produced by excess contributions will be taxed at the taxpayers marginal rate (to be legislated). Excess non-concessional contributions remaining in super funds will continue to be taxed at the top marginal rate of 47%.

Government Co-Contributions 2014/2015

The maximum co-contribution is \$500 & applies if total adjusted income (assessable income plus reportable FBT plus reportable superannuation less allowable business deductions) is \$34,488 or less. The amount reduces by 3.33 cents for every \$1 in excess of this threshold and ceases at \$49,488.

JULY 2014

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

August 4 - Picnic Day (NT)

AUGUST 2014

S	M	T	W	T	F	S
31					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

August 4 - Picnic Day (NT)

SEPTEMBER 2014

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

September 29 - Family & Community Day (ACT)
September 29 - Queen's Birthday (WA)

OCTOBER 2014

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21*	22	23	24	25
26	27	28	29	30	31	

October 6 - Labour Day (SA, ACT, NSW, QLD)

NOVEMBER 2014

S	M	T	W	T	F	S
30						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

November 4 - Melbourne Cup (VIC)

DECEMBER 2014

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

December 24 (7pm - 12am) - Christmas Eve (SA)
December 25 - Christmas Day
December 26 - Boxing Day/Proclamation Day
December 31 (7pm - 12am) - New Year's Eve (SA)

JANUARY 2015

S	M	T	W	T	F	S
			1	2	3	
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

January 1 - New Year's Day
January 26 - Australia Day

FEBRUARY 2015

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

February 10 - Royal Hobart Regatta (TAS)

MARCH 2015

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

March 2 - Labour Day (WA)
March 9 - Labour Day (VIC), Canberra Day (ACT), Adelaide Cup (SA), 8 Hours Day (TAS)

APRIL 2015

S	M	T	W	T	F	S
		1	2	3	4	
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

April 3 - Good Friday
April 6 - Easter Monday
April 7 - Easter Tuesday (TAS)
April 25 - ANZAC Day
April 27 - ANZAC Day Holiday (WA)

MAY 2015

S	M	T	W	T	F	S
31						1
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28*	29	30

May 4 - May Day (NT)

JUNE 2015

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

June 1 - Foundation Day (WA)
June 8 - Queen's Birthday (All states except WA)

21	GST: Remit monthly if annual turnover is \$20m or more PAYG: withholding: \$25,001-\$1m remit monthly PAYG instalments: If remit GST monthly due July, October, January & April FBT: If liability >\$3,000 and remit GST monthly
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28	28 July, October, February & April GST: remit quarterly if annual turnover is <\$20m PAYG withholding: \$0-\$25,000 remit quarterly PAYG instalments: If remit GST quarterly FBT: liability: >=\$3,000 and remit GST quarterly
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21+	PAYG instalment: If tax liability <\$8,000 and elect to remit annually
28*	FBT: Return to be lodged with balance of FBT for year ending 31.3.14

OFFSETS - 2013/2014

Offset \$	Offset cuts out where taxable income exceeds \$	Medical Expense Offset * based on adjusted taxable income	Offset %	Offset applies on net medical expenses above \$	
445	66,667	Level 1 (single <\$88,000, family <\$176,000)	20	2,162	
		Level 2 (single <\$88,000, family <\$176,000)	10	5,100	
Reduces by 1.5c for every \$1 that taxable income exceeds \$37,000					
Offset \$	Offset cuts out where taxable income exceeds \$	Senior & Pensioner Tax Offset (Pension Age)	Offset \$	Nil tax below \$	Rebate cuts out where net income exceeds \$
2,471	10,166	Single	2,230	32,279	50,119
Spouse must have no children and a date of birth prior to 1.7.1952					
Reduces by \$1 for every \$4 that adjusted taxable income of spouse exceeds \$282. The spouse rebate is unavailable if the couple is entitled to Family Tax Benefit Part B.					
		Couple (per person)	1,602	28,974	41,790
		Couple (separated by illness)	2,040	31,279	47,599
Maximum tax free distribution to a minor					
Child under 18 who is a prescribed person	Amount \$	416	Reduced by 12.5c for every \$1 of rebate income in excess of the lower threshold. Any unused portion of the offset of a married pensioner can be transferred to their spouse.		

FRINGE BENEFITS TAX

Fringe benefits tax payable is 47% of the fringe benefits taxable amount.

Type 1 Benefits
Fringe benefits taxable amount for GST taxable expenses = Aggregate fringe benefits multiplied by 2.0802

Type 2 Benefits
Fringe benefits taxable amount for GST free expenses or employers not entitled to claim GST input tax credits = Aggregate fringe benefits multiplied by 1.8868

Fringe benefits tax payable = 47% of the fringe benefits taxable amount

Car fringe benefits can be valued using either the *Statutory Formula Method* or the *Operating Cost Method*. The *Statutory Formula Method* values a car fringe benefit by applying a statutory percentage to the cost of the car.

The statutory % used to calculate the taxable value of car fringe benefits is:-

	Cars purchased pre 10 May 2011	Cars purchased post 10 May 2011
Kilometres travelled	% of cost	% of cost
0 - 14,999	26	20
15,000 - 24,999	20	20
25,000 - 40,000	11	20
>40,000	7	20

The Operating Cost Method requires that records be maintained of the total operating costs of the car for the year. Additionally, a log book must be maintained for a minimum of 12 weeks to determine the business percentage. A new log book must be completed every five years.
For the year ending 31 March 2015, the statutory interest rate for car and loan fringe benefits is 5.95%.

TAX TREATMENT OF ENTERTAINMENT

Location where entertainment provided	Employees	Associates of Employees	Entertainment provided to clients/business associates
In-house dining facility where food and drink is provided (i.e. canteen not open to public)	No FBT Tax deduction 1	FBT Payable Tax deduction	No FBT No tax deduction 2
Internal (not an in-house dining facility)	No FBT No tax deduction	FBT payable Tax deduction	No FBT No tax deduction
External (restaurant)	FBT payable Tax deduction	FBT payable Tax deduction	No FBT No tax deduction
Travelling (country or interstate)	No FBT 3 Tax deduction	FBT payable Tax deduction	No FBT Tax deduction 4

- The income tax deduction is not available if the occasion is a party or other social function.
- The employer elects to claim the non-employee's meal as an income tax deduction by including \$30 per head in assessable income