

Individuals

Deductions

- Superannuation Co-Contribution – the government will give lower income earners (\$35,454 to \$50,454) \$0.50 for each \$1 they contribute to superannuation from their after-tax salary up to a maximum of \$500.
- Taxation Advice – fees payable to an accountant or registered tax agent for taxation advice can be claimed.
- Expense Substantiation – ensure that you can justify all employment-related expense amounts incurred.
- Working From Home Expenses can be claimed for working from home (as distinct from having a home office).
- Expenses For Shareholding Investments incurred in gaining income from shares are a tax deduction.
- Personal Insurance Payments – premiums for Sickness and Accident Cover are tax deductible. Payments can be made by the employer without incurring FBT.
- Home Office Expenses – if you use an area in your home, you can claim the expenses of a home office. Items that could be claimed or proportionately claimed include electricity, rent, cleaning, repairs and maintenance for the office and depreciation of fixtures, fittings, plant and equipment for a home office.
- Work-Related Expense items such as travel, uniforms, laundry of work clothes, subscriptions, union fees and self-education.
- End of Year Tax Schemes – the ATO produces product rulings on various investment products that are marketed particularly around 30 June each year. To avoid confrontation with the ATO, it is best to consider investing in products that have obtained a product ruling. These product rulings are not a guarantee or government endorsement on the likely success, or profitability, of the investment.
- Managed Investment Schemes – it is recommended that you have a meeting with us prior to committing to a Managed Investment Scheme investment.

Offsets

- Zone Offset – record the number of days you spend in Zone A or B, especially if you live in Zone B but spend some time in Zone A during the year.
- Salary Packaging can assist in the minimisation of income tax, particularly in the areas of voluntary superannuation contributions and acquisition of assets that are not subject to Fringe Benefit Tax. Your employer is required to report the value of fringe benefits in your payment summary. That may have an effect on other government payments you receive.

Income Issues

- Interest Earned – declare interest earned on bank accounts, loans, etc.
- Employee Share Schemes – if you're a member of one, you should ensure that any income earned is included in your income tax return.
- Qualifying Employee Share Schemes – scheme formed before 1 July 2009 – any discount on the shares is subject to taxation. If the scheme qualifies under the Employee Share Scheme Rules, the employee can choose when they include the discount in their assessable income. If the employee elects to include the discount benefit in their tax return for the year of receipt of the benefit, they are eligible for an exemption of the first \$1,000 of the discount.
- Scheme Formed After 1 July 2009 – the discount on Employee Share Schemes are taxed either upfront or on a deferred basis. For 'qualifying' schemes, if the employee is earning less than \$180,000 taxable income plus reportable fringe benefits, reportable superannuation contributions and total investment losses, then the employee can claim a \$1,000 exemption from the inclusion of the assessable discount.
- Dividends, Interest, Managed Funds Distributions, etc – the ATO matches information provided in tax returns with information received from external sources, such as public companies, banks, managed funds etc.