



Newsletter, October 2013

Practice Update

We're already three months into the new financial year and it's been great to meet new clients and help them with their businesses (I also appreciate the referrals). There will be a few planning opportunities coming up when the new Federal Government introduces their tax and superannuation policies. This long weekend brings the start of daylight saving and warmer weather (I'm looking forward to it still being daylight when I leave the office). I hope everyone enjoys the public holiday!

PAYG instalment options

In the first quarter you can generally choose the PAYG instalments reporting and payment option that best suits your needs. There are two options:

- 1) Pay the instalment amount calculated by the ATO;
- 2) Calculate the instalment amount by multiplying your business income by the ATO calculated instalment rate.

Once a reporting option is chosen, you continue to report and pay using this option for the rest of the year. You may be eligible to choose to pay instalments annually if your notional tax is less than \$8,000 (you must notify the ATO of this choice by October 28).

If your circumstances change during the year, you can vary the PAYG instalments to reflect the changes.

Employee superannuation increases

On 1 July 2013, the super guarantee rate increased to 9.25% (the new Federal Government policies include slowing the progressive increase). Employers accounting systems should already be updated to ensure that super for the September quarters is paid at the new rate. The ATO will monitor employers to ensure that they are paying their employees the correct superannuation amounts.

Private health insurance rebate

Private health insurance is subject to an income test and any rebates incorrectly claimed as a premium reduction through your health fund will be included in your notice of assessment. The 2013/14 rates are:

	up to \$88,000	\$88,001 - \$102,000	\$102,001 - \$136,000	\$136,001 or more
Single income	up to \$88,000	\$88,001 - \$102,000	\$102,001 - \$136,000	\$136,001 or more
Family income	up to \$176,000	\$176,001 - \$204,000	\$204,001 - \$272,000	\$272,001 or more
Rebate				
Age <65	30%	20%	10%	0%
Age 65 - 69	35%	25%	15%	0%
Age 70+	40%	30%	20%	0%

Lodgement Dates

The September quarter has now ended so you should be aware of the following dates:

- 28 October 2013 September quarter superannuation due
- 28 October 2013 September quarter Business Activity Statement (BAS) due

Did you know that if your Tax Agent lodges your quarterly BAS electronically, you get a four week electronic lodgement and payment concession? This means that the September quarter BAS is due for lodgement and payment by 25 November 2013. Please contact me if I can be of assistance.

Kind regards,
Nick