



Newsletter, April 2014

Practice Update

As the end of the financial year is fast approaching, it's important for tax estimates to be prepared so tax planning opportunities can be discussed and implemented before June 30. Superannuation contributions are only deductible in the year that they are received by the superannuation fund so consider making payments before June 30. This also means that if you want your contributions to count against your contribution limit for the current year, you will need to make sure that they are received by your fund before June 30.

We hope everyone enjoys the Easter break coming up (and the basketball finals – the Adelaide 36ers have made the grand final series for the first time since being champions in 2002)!

Payroll tax relief

A business must register for payroll tax when employee remuneration exceeds various state based thresholds. Last year the South Australian Labor Government introduced rebates of up to 50% for payrolls between \$600,000 and \$1,200,000 (effectively resulting in a rate of 2.475% for eligible businesses until June 2015). For comparison, the WA Government introduced a rebate to ensure payroll tax was not paid on payrolls below \$1,500,000 in 2013. As a part of the recent state election campaign, the Liberals proposed increasing the current \$600,000 threshold to \$800,000 over the next few years while extending the current rebate.

These are the current payroll tax thresholds and rates (before any temporary relief):

State	Threshold	Rate
Vic	\$550,000	4.90%
SA	\$600,000	4.95%
NSW	\$750,000	5.45%
WA	\$1,100,000	6.10%
NT	\$1,500,000	5.50%
ACT	\$1,750,000	6.85%

WorkCover SA

Workers compensation schemes are established in each state to protect employees if they have a workplace injury. A business must register for WorkCover in South Australia when eligible payments exceed \$11,799 per year (WorkCover payments are made in advance based on a rate applicable to your industry). In August 2013, an article was published stating that the South Australian average levy rate was 2.75% (compared to the Australian and New Zealand average of 1.76%). The state Government announced that it will decommission WorkCover SA (and replace it with a new scheme) as it has an unfunded liability of over one billion dollars. They also aim to get premiums down to a nationally competitive level.

Lodgement Dates

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

- 28 April 2014 March quarter superannuation due
- 28 April 2014 March quarter Business Activity Statement (BAS) due
- 15 May 2014 2012/13 income tax return due for all taxpayers not requiring earlier lodgement

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 March quarter BAS is due for lodgment and payment by 26 May 2014.

Kind regards, Nick