

**Newsletter, April 2016****Practice Update**

Easter was early again this year and so we hope that everyone enjoyed the break. Unfortunately daylight saving has finished so it's dark earlier in the evening and the days feel shorter. 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. It can also be important to consider that contributions generally count against your contribution limit in the year that they are received by your superfund.

**Business restructuring opportunity (CGT relief and stamp duty abolished)**

Legislation was passed last month so that from 1 July 2016 small businesses will be able to change their legal structure without incurring any capital gains tax liability for certain transfers (this applies when transferring active assets that are CGT assets, trading stock, revenue assets and depreciating assets). The Government of South Australia also abolished stamp duty on private company share transfers in the last state budget (18 June 2015) so from July 1, there may be no Government costs to restructure.

There may be commercial benefits to changing your business structure so you should review your situation. Anyone who has a private company with individuals holding the shares should consider transferring them to a family trust (the family trust is eligible where the family group includes the individual who has ultimate economic ownership before any asset transfer).

It's also worth noting that as a part of the Mid-Year Budget Review, the Government of South Australia brought forward the first one-third reduction to stamp duty on non-residential (commercial) property to 7 December 2015 (it was previously scheduled for 1 July 2016) with the second one-third reduction due on 1 July 2017 then full removal on 1 July 2018.

**Motor vehicle deduction changes**

From 1 July 2015, the motor vehicle expense claim methods were modified so that:

- The '12% original value' and 'one-third of actual expenses' methods were removed;
- The 'cents per kilometre' method rate will be set at \$0.66 per kilometre for all vehicles (previously \$0.65, \$0.76 or \$0.77 depending on engine size).

It may now be worth keeping a log book for twelve weeks and switching to the log book method:

<https://www.ato.gov.au/Business/Income-and-deductions-for-business/Business-travel-expenses/Motor-vehicle-expenses/Calculating-your-deduction/Keeping-a-logbook/>

**Lodgement Dates**

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

- 28 April 2016 March quarter superannuation due
- 28 April 2016 March quarter Business Activity Statement (BAS) due
- 16 May 2016 2014/15 income tax return due for all taxpayers not requiring earlier lodgement
- 30 June 2016 June quarter superannuation due if qualifying for 2015/2016 tax deduction
- 28 July 2016 June quarter superannuation 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 March quarter BAS is due for lodgement and payment by 26 May 2016. Please contact me if I can be of assistance.

Kind regards,  
Nick