

Tax Planning Strategies Checklist

Browse the below sections for “individuals” and/or “business owners” for strategies and ideas which you relate to.

It is best to tax plan throughout every financial year but April is the best time to reflect on how your current financial year is tracking and utilise May and June to put last-minute strategies in place before 30th June ticks over. Often this is all that is required but knowledge is power so you need to analyse your position regularly to know how to better it.

Not all planning strategies will apply to you so we recommend you accompany this with our Tax Planning Package to delve deeper into your specific circumstances, valued at \$375. Reach out for this.

Our Golden Rule:

Only make purchases for items you need. If you're rushing out to buy something only to claim a tax deduction, think again. You never receive \$1 per \$1 back from the tax man so as tempting as it is to reduce your tax, the money for the "deduction" is still better off in your pocket.

INDIVIDUALS	
<input type="radio"/>	Buy any last-minute work-related items before 30 th June. <i>For example, stationery, tools/equipment, safety gear, sun protection, devices/electronics, licenses, etc.</i>
<input type="radio"/>	Make additional contributions to super up to the concessional contributions cap. <i>Note: The cap includes employer contributions.</i> <i>Ask us more about the concessional contributions cap and how it will work for you.</i>
<input type="radio"/>	Consider an upgrade or replacement to a vehicle used for approved work-related travel. <i>Ask us more before proceeding.</i>
<input type="radio"/>	For investment property owners, consider if it could use an improvement, repair/maintenance or prepayment of routine expenses. Is your property negatively-geared for tax minimisation or a positively-geared investment? <i>Ask us more before proceeding.</i>
<input type="radio"/>	Consider any large asset sales, potential capital gains, including cryptocurrency. <i>Advise us of any such events, gain or loss.</i>
<input type="radio"/>	Consider income protection insurance. <i>Note: Life and trauma/accident personal insurances cannot be claimed.</i>
<input type="radio"/>	Consider if health insurance is needed to avoid Medicare Levy Surcharge. Do you have it? Do you need it? <i>Note: If you earn over a certain amount, you will pay an extra tax (Medicare Levy Surcharge) if you do not have health insurance.</i>
<input type="radio"/>	Have excess cash? Look into purchasing a negatively-geared investment property or other investments. <i>Ask us more before proceeding.</i>
<input type="radio"/>	Keep thorough records of all expenses to ensure all claims are included and can be substantiated against the unlikely event of an ATO audit. <i>Note: The ATO app (myDeductions) is a free resource to track work expenses and store the evidence.</i>
<input type="radio"/>	Financial health check: do you have any ATO debts? What's your true available cash flow, any other debts? Do you have a personal budget, etc?
<input type="radio"/>	Business owner? Check out the next table.

BUSINESS OWNERS	
○	<p>Cash Inflows:</p> <ul style="list-style-type: none"> ○ Hold off invoicing until after 1st July, if practical. ○ Write off bad debts, i.e. monies owed to you but unexpected to recover.
○	<p>Cash Outflows:</p> <ul style="list-style-type: none"> ○ Finalise any purchases and buy last-minute items before 30th June. ○ Consider making prepayments toward routine expenses if a high-turnover year. <i>For example, materials/stationery, rent, insurance, employee's superannuation (i.e. Jun qtr).</i> ○ Consider paying bonuses to staff/contractors. <i>For example, gift card, fuel card, additional employer super contribution (RESC) or a legitimate bonus via payroll/invoice, not untraceable cash.</i>
○	<p>Business Health:</p> <ul style="list-style-type: none"> ○ Consider when you last increased your fees. From July is a great time to introduce an increase while providing sufficient notice to your clients, customers and staff. ○ Review expenses to unveil wasted or excessive expenses and opportunities to reduce costs. ○ Check your cashflow statement for loan payments to understand how this also takes from your profit.
○	<p>New or replacement assets for your business. <i>For example, business vehicle, equipment/tools, computer or device, etc.</i> <i>Note: Finance or leasing claims to consider depending on asset purchased and cash flow position of business. Ask us more before proceeding with any large-ticket items.</i></p>
○	<p>If business holds stock and tracks inventory in software:</p> <ul style="list-style-type: none"> ○ Do an official stocktake and exclude any obsolete/spoiled items to write off. ○ If inventory is tracked in software, record any movements to ensure the closing stock is correct. ○ Purchase any new, restocking or replacement stock.
○	<p>Debtors vs Creditors: if you are owed more from customers then you owe to suppliers, discuss this with us.</p>
○	<p>Ensure your business is adequately insured. <i>For example, business insurance (contents, fire, theft), public liability, professional indemnity, business interruption, key person replacement, cyber security, ATO audit, etc.</i></p>
○	<p>Sole Trader/Partnership/Trust:</p> <ul style="list-style-type: none"> ○ Consider upgrading to a company structure. <i>Ask us more to confirm the benefits based on your current net profit, structure and goals.</i> ○ For partners with uneven taxable incomes, consider strategies to alter the 50/50 distribution split.
○	<p>Company:</p> <ul style="list-style-type: none"> ○ Transfer any funds sitting in a personal bank account, without an immediate use, back to the business account before EOFY. These funds can be taken back after 1st July. ○ Draw a wage/salary including PAYGW and Super to declare personal takings to assist business and personal budgeting. A requirement under new Single Touch Payroll legislation. <i>Ask us more about this to ensure it is included within your STP and quarterly reporting.</i>
○	<p>Business have excess cash? Consider purchasing a commercial property. <i>Ask us more before proceeding.</i></p>
○	<p>Keep thorough records of all expenses to ensure all business claims are included and can be substantiated against the unlikely event of an ATO audit.</p>