

# 2012

## client update

Issue 9 January-March 2013

### key dates

#### Jan-March 2013



##### 15 January 2013

**Income tax return** for taxable large/medium business super funds as per latest year lodged – unless required earlier (payment for these super funds was due 1 December 2012).

##### 28 January 2012

**Super Guarantee Contributions** for Quarter 2 (1 Oct – 31 Dec) 2012-13 – contributions to be made to the fund by this date.

If an employer does not pay minimum super contributions for quarter 2 by this date, they must pay the super guarantee charge and lodge a Superannuation Guarantee charge statement – quarterly form with ATO by 28 February 2013. The super guarantee charge is not tax deductible.

##### 28 February 2013

- **Income tax return** for non-taxable large/medium business Super Funds as per latest year lodged

- Income tax return for new registrant (taxable and non-taxable) SMSFs. Payment (if required) also due on this date..

- **Income tax return** for new registrant large/medium business super funds. Payment (if required) also due on this date..

- **Superannuation guarantee charge (SGC) statement** - quarterly for quarter 2, 2012-13 (if required contributions were not made by the due date).

##### 31 March 2012

- **Income tax returns for super funds** with total income in excess of \$2 million in latest year lodged (excluding large/medium business taxpayers). Payment (if required) is also due on this date.

### did you know?

#### New Concessional contributions cap of \$25,000 applies from 1 July 2012

There are limits (caps) on the amount that can be contributed into super each income year. If the amount contributed is more than the cap for the year, you usually have to pay extra tax called excess contributions tax on the excess contributions. The amount of ECT that you are generally liable to pay if you exceed a contributions cap depends on whether the contributions are 'concessional' or 'non-concessional' contributions. Generally, any excess concessional contributions are taxed at 31.5% (on top of the 15% tax the fund generally pays), and any excess non-concessional contributions are taxed at 46.5%.

Since 1 July 2009, the concessional contributions cap has been set at \$25,000 per annum for individuals who are under 50 years of age. As an exception, a temporary (transitional) cap of \$50,000 has applied to individuals aged 50 or over to allow them to boost their super savings as they neared retirement. However, the transitional cap expired on 30 June 2012.

This means that, from 1 July 2012, the \$25,000 concessional contributions cap will apply to all individuals regardless of their age. Therefore, if you were at least 50 years of age on 30 June 2012, you need to be aware of the following:

(a) From 1 July 2012, your concessional contributions cap has effectively been halved from \$50,000 to \$25,000 – that is, the amount that you and your employer can contribute to super to boost your retirement savings is now half what it was before 1 July 2012;

(b) Any salary sacrifice agreements you had in place with your employer before 1 July 2012 to pay additional amounts into super on your behalf should be reviewed and adjusted to reflect the reduced concessional cap of \$25,000 that applies from 1 July 2012; and

(c) Be aware that you work for more than one employer at any time from 1 July 2012, you may have to pay ECT if the total of the compulsory SG contributions made by all your employers exceeds the now reduced cap of \$25,000.

You may be aware that the Government previously announced it would effectively extend the \$50,000 concessional contributions cap for individuals aged 50 or more beyond 30 June 2012, but only for those whose total superannuation savings are less than \$500,000. However, the government has since announced that it will defer the start date of this proposal to 1 July 2014, but has not yet released any legislation to enact this measure.

#### Bookkeeping/Banklink

Are you having trouble trying to keep all your records in order each quarter or year? McFillin & Partners can help you maintain your accounting records on a month to month or quarterly basis.

Please contact us for further information.



## new address

Just a reminder that we have moved and our new address details are: Suite 3, North Park Business Centre, 6 Babarra Street, Stafford. Our phone & fax numbers are unchanged as are our email addresses and website. Please make a note of the change in your records.

## website

We recommend you visit our website, [www.mcfillin.com](http://www.mcfillin.com). If you are not already a member, please join and you will automatically receive by email a monthly newsletter with current, up to date information in regards to taxation, superannuation, business and much more. You can also follow us on Twitter and Facebook.

## our services

At **McFillin & Partners** we are able to offer an extensive range of services. Our professional, experienced staff ensure that your requests are handled in a timely and cost efficient manner.

We can offer assistance with the following services and products:

- **Accounting**
- **Audit**
- **Bookkeeping**
- **Budgeting, Cash Flow & Business Monitoring**
- **Business Services**
- **Compliance**
- **Finance - Business Loans, Housing Loans, Vehicle and Equipment Loans**
- **Financial Planning**
- **Insurance**
- **Management Reporting**
- **Superannuation - Accounting and Taxation for SMSF**
- **Taxation**

Please feel free to contact us if you have any questions or would like more information on any of the above topics.

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## Year End Tax Planning

### Capital Gains Tax

If you have sold (or are thinking of selling) any assets, shares, business or property in this financial year, then your profit may be subject to capital gains tax.

There are a range of strategies that can reduce or eliminate this tax altogether.

To achieve this we need to act now so that the strategies can be in place before the end of the financial year.

If you anticipate that you will have a capital gain and would like to talk to us about it, please do not hesitate to call our office on (07) 3263 7030 to arrange an appointment.

### Interim Figures

Are you in business? Are you an individual who would like to be in more control of their finances? Do you want to minimise the amount of tax that you pay? With the right planning we can provide effective strategies to help you achieve your goals and avoid any nasty surprises at the end of the financial year.

Please contact our office if you wish to have interim figures prepared or if you would like an appointment to discuss any issues you may have.

## Insurance

At present you can't turn on the TV without being bombarded with advertising for income protection or life insurance, normally at a budget price. While firstly it is important to insure your life, your income and your health, it is also important to consider what the contents of the policy document are and what you are covered for. If you don't have insurance, consider what will happen to your family if you are not able to work or were to pass away. Who would pay the mortgage, the school fees, the medical expenses? If you do have insurance, how much coverage do you have if you were to die, or if you were to suffer a heart attack or find out you had cancer. What would your monthly requirements be if you had to live off your income protection insurance? Would it be enough? If you could not answer any or all of these questions, it might be time to consult your insurance policy and check that the coverage you currently have is adequate in relation to your current needs and lifestyle. If you are unsure about your current insurance situation or require more information, please contact our office.

## contact us

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**IMPORTANT:** We suggest that our clients and readers do not act solely on the material contained in this Newsletter, because the items herein are in the nature of general comments only, and may be liable to misinterpretation in a particular circumstance. Also changes in legislation sometimes occur very quickly. We therefore recommend that our advice be sought before acting in any of these areas.