



THE SYMES TIMES

Christmas Edition: December 2019

Message from the Directors

The sun gets brighter and warmer, days grow longer, drinks get colder and headers appear in local paddocks. Signs that Summer is finally here again!

As we creep towards the end of the year, and towards the beginning of a new decade of the "twenty-twentys", it's a great time to reflect on goals and resolutions for the coming year. Often it's best to try focusing on just one goal at a time, making it easier for you to put 100 per cent towards achieving it before working on the next one.

For us at Symes, we want to get better at celebrating our clients milestones with them. Being in business is a tough gig, especially for small businesses, and there are some phenomenal local success stories we have been so proud to have worked with over the years and look forward to working with for many more.

Our farming community has faced a tumultuous year in 2019. Yet another year in drought and many crops have also taken a beating from frosts. We're sending our thoughts throughout harvest and baling season for more prosperous conditions.

The biggest issue for the State government this half of the year has been land tax as they struggle for legislation to pass. Knowing that the new regulations will affect many property investors, we've provided you a summary of the latest amendments and will continue to keep you in the loop as legislation passes.

We will be taking a break over Christmas and back with you next decade! From all of our team, we hope you have a truly wonderful Christmas this year. Enjoy the festivities with friends and family, and may Santa bring you your Christmas wishes!

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Welcome Courtney!

We're excited to introduce you to our new Accountant in the Symes Accountants team: Courtney English, bringing along great experience dealing with primary producers.



DIRECTORS
Peter Caddy
Hans van Heuven
Stephen Arthur



Festive Season trading hours

From all the team at Symes Accountants, thank you for your ongoing support of our team throughout 2019. We wish you and your family a Merry Christmas and a safe and prosperous New Year.

Our office will be closing for two weeks for us to spend time with friends and family.

On Friday 20 December we will be closing at 12pm and will re-open again in the New Year at 8.30am on Monday 6 January.

We've had a great year here at Symes so we thought we would share some of our staff highlights for 2019!

- *getting back to the gym*
- *seeing our renovations and the 27 Twelve Business Centre come together*
- *watching my kids reach milestones*
- *finishing home projects*
- *new staff joining the team*



With love from Symes

Each year Symes Accountants chooses to celebrate the end of the year by donating to local charities. This year we have chosen to support **Fred's Van** and **Wheels in Motion**.

Fred's Van is a free food service run by the St Vincent de Paul Society for vulnerable people within the community experiencing homelessness, social isolation and

unemployment. They provide hot, nutritious meals at 6pm every Thursday in Gawler's Pioneer Park.

Wheels in Motion is a Gawler Light Rotary program which assists disadvantaged and at risk youth. A drivers license can be a major barrier to accessing employment and further education. The program offers support and driving hours to break this barrier and enable them to gain their P's.

Security alerts for changes to SMSFs

To help safeguard your retirement savings and reduce the risk of fraud and misconduct, the ATO will send SMSF trustees an alert via email and/or text message when changes have been made to their fund.

This commences from 30 November 2019

and will cover any updates made to financial institution accounts, electronic service addresses, authorised contacts and member details.

If you're unsure if a message is legitimately from the ATO, remember they will never ask you to reply by text or email, or ask you to provide personal information.

Fuel tax credit change

From 1 November 2019, fuel tax credits for fuel used in passenger air-conditioning of a bus or coach must be claimed at the rate for 'heavy vehicles for travelling on public roads' rather than 'all other business'. Fuel used for air-conditioning is now considered as an essential for this purpose of travelling.

Land tax reforms for 2020/21

Initially announced in the State Budget, the Marshall Government's land tax reforms have successfully passed State Parliament and are now waiting assent. So after all the amendments to the Bill, what's in store?

- Total interest of land ownership will be aggregated rather than taxed according to those only held under the exact same ownership structure.

- The minimum property tax threshold will rise to \$450,000 from \$391,000
- The middle tax threshold will reduce from 1.65% to 1.25% in 2020-21, then again reduce to 1.0% in 2022-23.
- The top tax threshold reduces from 3.7% to 2.4% and will commence at \$2 million instead of the current \$1.35 million from 2022-23.
- Surcharges to land owned in trusts - where interests in land of trust beneficiaries are not disclosed. The cut-off date for nomination of

beneficiaries: 30 June 2021.

- Concessions will be available for eligible developers of affordable housing.
- A \$10 million compensation fund was set aside to help offset first-year losses from aggregation changes. This fund has now increased to \$25 million over 3 years.

Contact our team to find out if your individual situation will be affected, and if you should consider restructuring your portfolio.



Is your Airbnb costing you?

It may be your side hustle, but don't forget about the tax implications.

All income earned from renting out your home, or a space within your home is assessable income and must be reported on your tax return.

Expenses can be claimed, but only for the portion of the home rented and the period

of time that it has been rented throughout the year. Expenses can include repairs and maintenance, cleaning, furniture depreciation, rates and utilities, insurance, and service and listing fees.

If you own an investment property you're likely to be familiar with capital gains tax (CGT). When you sell your property you are required to pay CGT based on the

profit you earn from your original purchase.

Generally when you sell your private residence, the sale is free from CGT - however - if you have earned income from the property, such as renting out a room through Airbnb, you will need to pay tax on part of any gain at sale. It's crucial that you factor CGT into your costings when deciding whether to rent out your property .

Don't forget the property is advertised online so the ATO does have an eye on your property! Always ensure to keep full records of income and expenditure related to your Airbnb listing for the ATO.



Gift yourself a little Super

Do you have more than one superannuation account? Chances are you may have a couple. Don't let your inactive super accounts be eroded by fees and charges.

Your super is your savings for your retirement so it's important you know how much you're getting, what accounts you have, and importantly - what insurance your superannuation is providing you.

Make time to visit the ATO online services via your myGov account. Here you can see the details of all your super accounts and track down any lost super.

From 1 July 2019, all inactive low-balance super accounts (less than \$6,000 balance, and unused for the past 16 months) will be transferred to the ATO to consolidate into active funds on your behalf.



**Maybe Christmas he thought, doesn't come from a store,
maybe Christmas perhaps means a little bit more! - DR SEUSS**



Using contractors this Xmas?

If you're using more cleaning or courier contractors in the lead up to the holiday season than usual, you may be required to now to lodge a 'Taxable Payments Annual Report' (TPAR) in August 2020.

Building maintenance, property management and event management businesses all may engage more cleaning contractors than normal, or retail businesses or florists may require extra courier services than a regular month.

Ensure you keep records of any contractors you are using to help you lodge your TPAR report next year. Businesses will need to report if they:

- Have an ABN number
- Pay contractors to provide courier or cleaning services on their behalf
- Are providing cleaning or courier services, and the payments they receive for these services make up 10% of their total GST turnover, even if their business is not registered for GST.



Festive season party taxes

As the festive season approaches it's time to start thinking about saying thanks to your employees for another year of hard work.

Gifts can cost you tax

Giving gifts? The easiest way to avoid having to think about tax is to ensure your gift costs under \$300 (inc GST) and is considered a minor benefit. This means the gift must be given on an infrequent or irregular basis - e.g. every six months - and is not considered a reward for service. It's also essential that the present is not considered entertainment. Examples include

hampers or gift baskets, retail gift vouchers, skincare and beauty products, sealed bottles of alcohol, and flowers. If your gift meets all of these criteria, it is exempt from any Fringe Benefit Tax (FBT) and you can also claim a tax deduction for it, plus the GST input tax credit if you are registered for GST.

Tax and entertainment

Presents which are classed as entertainment may not be tax deductible. This includes restaurant meals, holiday accommodation and tickets to movies, sporting events and concerts. If entertainment-type gifts cost less than \$300 (inc GST) FBT is not payable, but they are not tax deductible. GST input credits also cannot be claimed. This applies to both employees and clients.

Christmas parties and FBT

The ATO hasn't killed off the workplace Christmas party - as you are free to take

advantage of the same \$300 (inc GST) minor and infrequent benefit exemption to hold a celebratory function for current employees and their family. The party does, however, need to be held on your premises during a business day.

The cost of food and drink consumed by current employees and family at the event must be less than \$300 per head to avoid FBT. However, there is no tax deduction or GST input credit claimable. If the cost of the on-site party is over \$300 (inc GST) per head, then there is still no FBT payable for employees and clients but it is payable for any family members attending.

There is still no FBT payable if the costs remain under \$300 per head for parties held off premises, as this is also considered a minor benefit. But once the per head cost rises over the \$300 threshold, FBT is payable for employees and any family, but not for clients attending.

May you never be too grown up to search the skies on Christmas Eve



Luxury car tax relief here for Farmers

Most new and demonstrator cars attract a 33% Luxury Car Tax (LCT) where the price exceeds the LCT threshold; currently \$67,525 for the 2019-20 financial year.

Primary producers can claim a refund on the LCT they have paid, to a maximum of \$10,000 for one vehicle per financial year. This only applies to vehicles delivered to them on or after 1 July 2019.

Vehicles received on or before 30 June 2019 can only claim a refund of 8/33 of the

LCT paid, to a maximum of \$3,000. Credits can only be claimed if you're not registered for GST.

If you've recently purchased a new car, chat to our team for more information, and to find out if you're eligible for an LCT refund.



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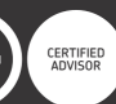
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MONDAY - FRIDAY 8:30am to 5:00pm
CLOSED Public Holidays & Christmas/New Year



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