

March 2019 | The A Firm

DEADLINES, TAX TIPS & GREAT NEWS!

Also Including Information Regarding Single Touch Payroll



Single Touch Payroll

Changing the way you report your tax and super



Single Touch Payroll (STP) is a new way for employers to report tax and super information to the ATO. It starts from 1 July 2019 for employers with 19 or less employees.

You'll report the following information through an STP ready solution - such as payroll software:

- payments to employees such as salaries and wages
- pay as you go (PAYG) withholding
- super information.

The way you pay your employees won't change, however you will be sending [the ATO] this information each time you pay them. Start reporting any time from 1 July to 30 September 2019.

To get your business ready for Single Touch Payroll, we'd love to have a chat about setting this up. Contact The A Firm now to book an appointment.

<https://www.ato.gov.au/Business/Single-Touch-Payroll/>



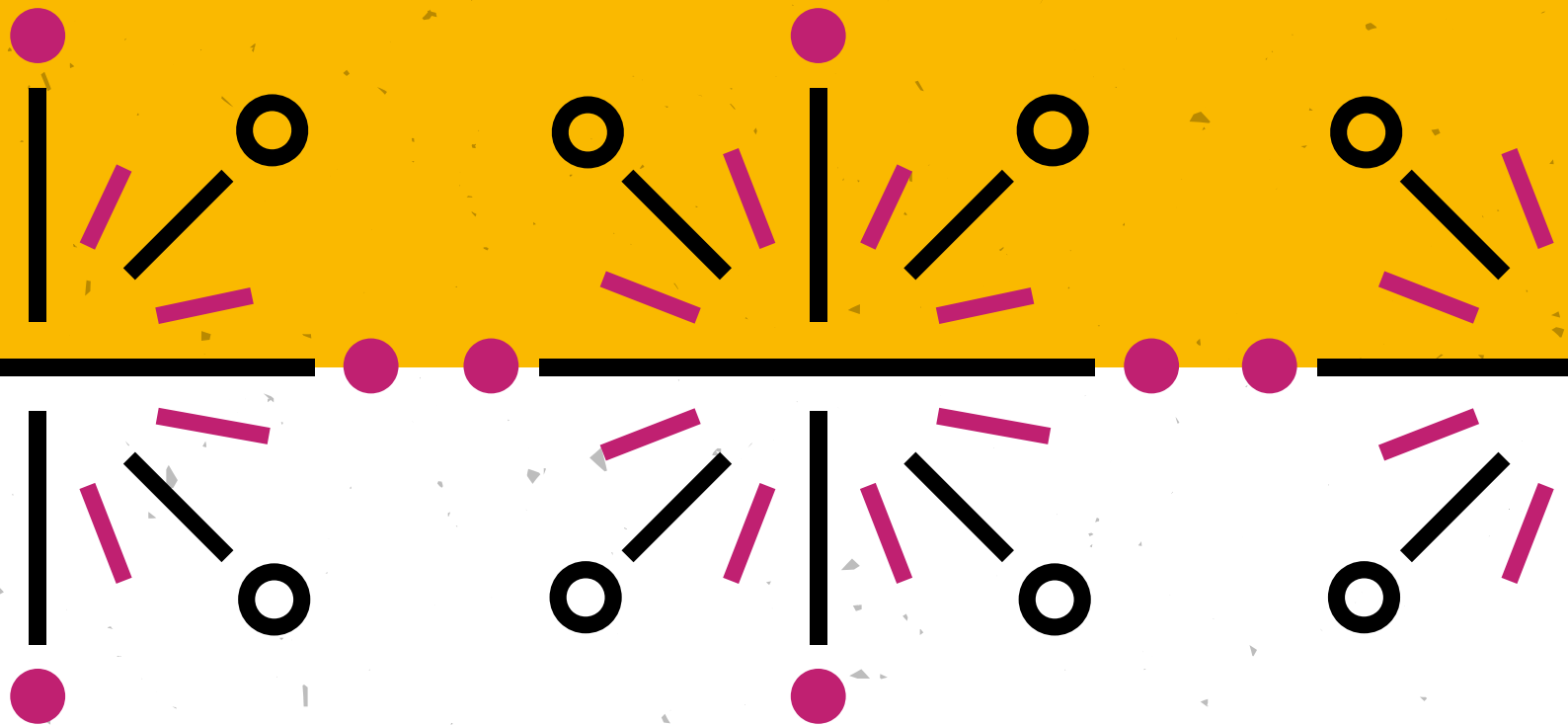
SAVING
\$80K

READ MORE...

Yes you read that right! Our team at the A Firm successfully applied to have over \$80k of ATO interest remitted for one of our clients. The interest and penalty debt had built up in the past with a prior owner and when our client asked us what could they do, we immediately put in a request to the ATO to remit over \$80k worth of interest and penalties....with the good news just back from the ATO that they would remit all the interest and penalties. Our team jumped for joy and passed on the good news immediately. The client was overjoyed – just the news they needed. We are all so proud of our team here at The A Firm!!

15TH MAY TAX DEADLINE

• A REMINDER TO LODGE YOUR TAX •



LODGE YOUR TAX!

Lodge your 2018 tax returns by May 15th



ATO CRACKING DOWN ON UNPAID SUPER TO YOUR EMPLOYEES

Super is money you pay for your workers to provide for their retirement.

The ATO estimates that \$2.85 billion is currently owed in late or missing Superannuation Guarantee (SG) payments.

Generally, if you pay an employee \$450 or more before tax in a calendar month, you have to pay super on top of their wages. This also applies to Directors of companies that are paying themselves a wage.

The minimum you must pay is called the super guarantee (SG):

- the SG is currently 9.5% of an employee's ordinary time earnings
- you must pay the SG at least four times a year, by the quarterly due dates
- you must pay and report super electronically in a standard format, ensuring you meet SuperStream requirements
- your super payments must go to a complying super fund – most employees can choose their own fund

- if you don't pay the SG on time, you may have to pay the super guarantee charge.

If you don't pay the minimum amount of super guarantee (SG) for your employee into the correct fund by the due date you may have to pay the super guarantee charge (SGC).

The charge is made up of:

- SG shortfall amounts (including any choice liability calculated on your employee's salary or wages.
- interest on those amounts (currently 10%)
- an administration fee of \$20 per employee, per quarter.
- You report and rectify the missed payment by lodging an SGC statement by the due date and paying the SGC to the ATO.

<https://www.ato.gov.au/Business/Super-for-employers/>

The Super
Guarantee:
Ignorance is
not Bliss

The government introduced legislation into parliament to propose an amnesty for a one-off opportunity for employers to self-correct past super guarantee (SG) non-compliance without penalty. However, at the time of writing, this had not been passed.

Earlier this month, new legislation was passed, allowing the commissioner to issue a direction to an employer to pay an outstanding super guarantee liability, with failure to comply possibly resulting in criminal penalties. Employers who receive direction from the commissioner must also complete an approved education course. The maximum penalty for the offence is 50 penalty units, imprisonment for 12 months, or both.

We strongly suggest that all outstanding SG payments are corrected immediately, before the ATO initiates a non compliance program.

Even if you do not believe that your business has an SG underpayment issue, it is worth undertaking a payroll audit to ensure that your payroll calculations are correct, and employees are being paid at a rate that is consistent with their entitlements under workplace laws and awards. Many of the recent celebrity cases featuring wages and SG underpayments have involved payroll miscalculations that were not acknowledged over time, or where the employer was ignorant of the correct award rates. It is worth ensuring that your payroll practices are correct. Ignorance is not bliss.

The Super
Guarantee:
Ignorance is
not Bliss

Now is a great time to contact us to discuss any payroll and SG issues.





XERO

Exciting Updates and Information

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DID YOU KNOW?

That our firm, The A Firm is a GOLD CHAMPION PARTNER WITH XERO?

R^{xero}AD SHOW 2019

EXCITING XERO NEWS!

Our amazing Accountant & XERO payroll Certified consultant, Letitia Hockings attends all regular XERO events, roadshows and online Seminars/Webinars to keep up date on all things xero to help not only our firm but our clients business's going forward.

She recently went to the 2019 Road Show held last month and is so excited for new features coming soon!

for new features coming soon.. "Watch this space."



Wills & powers of attorney

Have you done your will? It's estimated that nearly half of all Australians die without a will, or 'intestate'. Don't let this happen to you. Make a will today.

Fringe Benefits Tax

Register for fringe benefits tax (FBT)

Source:
<https://www.ato.gov.au/Forms/Application-to-register-for-fringe-benefits-tax/>

You must register for FBT and lodge an FBT return if you have a liability during an FBT year – 1 April to 31 March.

You must self-assess your own FBT liability each FBT year.

Fringe benefits tax (FBT) is a tax paid on certain benefits you provide to your employees or your employees' associates.

FBT is separate from income tax and is based on the taxable value of the various fringe benefits you provide.

The FBT year runs from 1 April to 31 March.

You need to register for FBT once you have determined that you are providing fringe benefits and have to pay FBT.

Tasmania is first, who's next?

Up to 500 Tasmanian small businesses can expect a knock on the door from the ATO in March

Assistant Commissioner Peter Holt said businesses that advertise as 'cash only' and businesses that are operating outside of our performance benchmarks for their industry will be especially targeted for a visit from the ATO.

“Businesses that pay cash in hand, or fail to lodge income tax or business activity statements get an unfair advantage and make it harder for other businesses who are doing the right thing. By detecting and addressing this behaviour, we’re helping ensure a level playing field for honest small businesses.”

Tasmanian businesses in the following industries are most likely to get a visit from the ATO in March:

- Restaurants and cafes
- Vehicle repairers
- Personal care businesses including hairdressers and nail salons
- Pharmacies
- Construction businesses
- Clothing stores
- Grocery stores / small supermarkets
- Butchers

“In the 2019-20 financial year, we’ll be visiting a further 10,000 small businesses across the country, including in Tasmania”, Mr Holt said.