

NEW RULES FOR SELLING PROPERTY OVER \$2 MILLION

From 1 July 2016, new rules will apply to sales of taxable Australian property with a market value of \$2 million or above.

A 10% non-final withholding tax may be applied to all contracts to sell such property entered into on or after 1 July 2016.

Australian resident vendors selling such property will need to obtain a clearance certificate from the ATO prior to settlement to avoid the 10% non-final withholding tax.

Editor: This new 10% withholding tax was really only intended to apply to non-residents selling Australian property.

However, it equally applies to Australian resident vendors and forces them to obtain a clearance certificate from the ATO to, in fact, prove that they are Australian residents.

Generally speaking, taxpayers will be affected for sales of residential and commercial properties, or companies or trusts that hold such properties.

CAR DEPRECIATION LIMIT FOR 2016/17

The car limit is \$57,581 for the 2016/17 year (up from \$57,466 for the previous year). This amount provides a limit on depreciation and GST input tax credit claims.

TAX IMPLICATIONS FOR THE SHARING ECONOMY

The ATO is reminding taxpayers who earn income through the sharing economy that they have tax obligations they should consider.

Examples of sharing economy services include:

- ride-sourcing – providing taxi travel services to transport passengers for a fare (eg Uber)
- renting out a room or a whole house or unit on a short term basis (eg Airbnb)
- renting out parking spaces; or
- providing personal services, such as web or trade services, or completing odd jobs, errands, deliveries, etc.

As is usual under the GST and income tax law, the nature of the goods or services they provide and the extent of their activities will determine what they need to do for tax purposes.

ACCOUNTANTS (OTHER THAN US)

What's the difference between an accountant and a lawyer?

The accountant knows she is boring.

What do you call an accountant who is seen talking to someone?

Popular

What do you call an accountant without a spreadsheet?

Lost

Accountants aren't boring people. They just get excited over boring things.

Why do accountants get excited on Saturdays?
They can wear casual clothes to work

How do you know when an accountant's on holidays?
He doesn't wear a tie to work and comes in after 8.30.

Gareth the accountant is having a hard time sleeping and goes to see his doctor.
"Doctor, I just can't get to sleep at night."
"Have you tried counting sheep Gareth?"
"That's the problem – I make a mistake and then spend three hours trying to find it."

ATO'S 'HIGH RISK INDUSTRIES' FOR SUPER GUARANTEE

Each year, the ATO identifies industries that they believe are at risk of not meeting their super guarantee obligations for eligible employees.

This year they are looking at these industries:

- bakeries;
- supermarkets;
- car retailers; and
- computer system designers.

Letters will be sent to taxpayers in these industries advising of planned audits from July 2016.

SUPERSTREAM DEADLINE EXTENDED!

With only days to go until the 30 June SuperStream deadline, the ATO noted that, while many small businesses had implemented the required changes, "some small businesses may need extra time and help to become SuperStream compliant".

The ATO has announced that for small businesses that are not yet SuperStream ready, it will provide a further extension to 28 October 2016.

GOODS TAKEN FROM STOCK FOR PRIVATE USE: 2015/16

The ATO has provided an update of the amounts it will accept for 2015/16 as estimates of the value of goods taken from trading stock for private use by taxpayers in certain specified industries.

The amounts (which exclude GST) are:

Type of Business	Adult/Child over 16 years	Child 4–16 years
Bakery	1,350	675
Butcher	800	400
Restaurant/cafe (licensed)	4,580	1,750
Restaurant/cafe (unlicensed)	3,500	1,750
Caterer	3,790	1,895
Delicatessen	3,500	1,750
Fruiterer/greengrocer	790	395
Takeaway food shop	3,410	1,705
Mixed business (includes milk bar, general store, and convenience store)	4,230	2,115

The ATO recognises that greater or lesser values may be appropriate in particular cases. It says it will adjust the values annually.

NEW FINANCIAL YEAR

We are already into another Financial Year. So if you haven't done so already, it is time to start sorting through those papers and emails you've been saving and gather up your 2015/16 Tax information. We have included a 2016 Tax Return Checklist which we trust will be of some assistance.

Please Note: Many of the comments in this publication are general in nature and anyone intending to apply the information to practical circumstances should seek further advice to independently verify their interpretation and the information's applicability to their particular circumstances.