

Compliance Newsletter – September 2019

A newsletter for our business clients, those with an investment entity (eg a trust), and super funds

URGENT INFO INCLUDED – See *

Please see back page for reminders

Please see the back page for BAS and general reminders. Please help us to prepare your BAS in a timely manner. **We REQUIRE your data by no later than 28th OCTOBER 2019 to do your Q1 BAS.**

STP – Single Touch Payroll

It's Here, It's Happening and there's no escape

A reminder:

If you have employees that are not related to you, you need to be reporting under STP by **30th September 2019**.

If all of your employees are closely related to you, you have an extension to 30th June 2020.

Either way, we will be calling you.

Fees *

Due to a large number of clients being late in providing their BAS information for processing for the last quarter, an additional fee will be applied to your invoice to cover overtime and weekend work by the office to meet the ATO compliance date for lodgement. This fee will be set at \$275. Please provide your information for this quarter by no later than **21st October 2019** – If for no other reason than to avoid our additional fee.

A reminder to clients where we prepare both quarterly BAS with a monthly IAS for wages, we will only be issuing an invoice at the end of each quarter. This fee will include both the BAS and IAS preparation fees.

Want a fixed fee amount each month? We can accommodate by determining your annual fees and charging it to you on a monthly basis.

Claiming Motor Vehicle expenses – Actual costs method

Companies, trusts, sole traders and partnerships must use the actual costs method to calculate motor vehicle expenses for **all types** of vehicles. This includes motorcycles, vehicle that have a

carrying capacity of 1 tonne or more e.g. utilities and vans, and passenger vehicles with a seating capacity of 9 or more.

Actual costs are based on receipts for all business-related motor vehicle expenses. However, you can only claim the percentage of the actual costs that relate to business use. Therefore, if the vehicle is used for both business and private purposes, you **must** keep records that allow you to work out the business-use percentage.

If your business is a private company and you provide a vehicle to a shareholder or their associate (not in their role as an employee) the motor vehicle expenses may be treated as a dividend or loan; or the expense may not be deductible.

Superannuation (SGC) Deadlines *

Good news! The Amnesty is back on the table. We will keep you posted on what happens.

Bas News! Many of you are telling us you didn't understand the significance of the super deadlines. You **MUST** pay superannuation for all staff (including yourself if operating through a company) using SuperStream and it must reach the relevant super fund no later than the quarterly cut-off date being

July – Sept	Due 28 th October
Oct – Dec	Due 28 th January
Jan – Mar	Due 28 th April
April – June	Due 28 th July

Your payment must have reached the super funds by that date. If you use a clearing house, it is good practice to allow a week for the payment to leave your bank account, arrive at the Clearing House, leave the Clearing House, and finally arrive at the employee's chosen super fund (or your default super fund).

The consequences for missing the cut-off ...

The payment is not deductible. You now must report to the Australian Taxation Office and pay an admin fee per employee, and interest back-dated to the 1st July for the financial year (NOT the beginning of the superannuation quarter). None of this is deductible.

The Australian Taxation Office is quite concerned about the growing SGC debt and this is why they brought in STP. The super funds now report when they have received the payments. The Australian Taxation Office now knows when you haven't made your payment on time – they don't need to audit you.

This is a big deal! Employers are personally responsible for superannuation even if they operate through a company. This will bankrupt employers who don't get it right. We will be calling all employers to make sure you are on track.

If you don't hear from us, please get in touch ASAP so we can update your records.

REGULAR REMINDERS

BAS Reminder *

If we do your BAS on a quarterly basis, please send your information and queries to admin@kdcaccounting.com.au

Quarter 1: 21st OCTOBER 2019

Quarter 2: 28th January 2020

Quarter 3: 21st of April 2020

Quarter 4: 21st of October 2020

Please provide your bank statements at the end of each quarter

Please provide your bank statements, so that we can maintain your financial accounts throughout the year. Please ensure you have reconciled your accounts to the bank statements, prior to us commencing your BAS. Getting the statements each quarter will minimise year end tasks and rework.

If you are unsure what we are after, please ask. Reconciling your bank is important, even if you have data feeds.

Using cloud accounting?

If you are using Cloud Accounting (e.g. Xero, QBO, or MYOB) please let us know when you have

reconciled the period. **We will not commence your BAS until we hear from you.** It is not time-efficient for you, or us, if we are continually checking to see if you have reconciled your accounts.

Buying a New Car or Business Equipment?

Please send us **all** the purchase documents as soon as you get them. Any time of the year suits us, even if we don't do your BAS. This is especially important if we do your BAS and you have financed the purchase.

Payment Slips

Payment Slips are no longer available from the Australian Taxation Office. The payment slip that we have previously sent you with your BAS return is still relevant for every quarter. Hopefully, you pay by BPay and the details are recorded in your internet banking. Please get in touch if this causes problems.

Use the correct payment reference number

Your payment reference numbers (or EFT codes) are different for each of your tax accounts (e.g. income tax, FBT or BAS). Remember to use the correct biller codes and reference numbers when paying, or your payment may not be processed correctly and interest or penalties may apply. The payment reference code appears on your assessment notice, lodgement confirmation statement, BAS debt recovery letter, or payment slips we may have sent you in the past.

Upcoming Events

For more information, please look at our website or Facebook page,

www.KDCaccounting.com.au/events

www.facebook.com/KDCAccounting

or keep an eye out for emails/mail from us.

FUNCTION ROOM FOR HIRE

Do you need a meeting room? Training Room? Or other function room? Our training room is set up and ready for you to hire. We will be holding many events in the training room ourselves, but want to provide a cost effective venue for others to use. If you need a venue, or know someone else that might need one, please get in touch or go to our website.