

## Compliance Newsletter – March 2020

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

### Watch our website

Please watch our website closely for operational issues in the office and for COVID updates impacting you and your business. We don't want to bombard you with emails, and Snail Mail is too slow for current happenings. Can't access the internet? Call us and we will find a way to keep you updated.

### Year-end Tax planning

#### we need to do things differently this year

This is the time of year that we would normally write to you and offer a Year-End Tax planning review.

This year, things are very different with everyone being impacted differently by COVID-19. Some of you seem to be hardly impacted, some of you impacted with increased operations, and others impacted quite negatively. Regardless of the impact, it is difficult for any of us to predict your operations for the next 3 months and we can't rely on your operations for July to March as an indicator. Accordingly, our usual "Quick Predict" tax planning service won't work this year.

Instead, we propose the following:

Year-end Tax Planning will still be needed for many of you – we just aren't sure who. We think the best way forward is for anyone wanting a Year-End Tax Planning Review to have an initial telephone or zoom meeting with Kerri to discuss your operations to date and expected operations to 30<sup>th</sup> June, and agree any action steps that are needed.

We think these meetings should be deferred until May so that there is less guesswork and estimations required, and we have some clarity around the specifics of the COVID Stimulus Packages.

To book this appointment, please call (62963733) or email Jordan

([Jordan.Carney@KDCaccounting.com.au](mailto:Jordan.Carney@KDCaccounting.com.au)) to book a time. Whilst working from home, the team can all still be reached by calling the office number and Cheryl can transfer you to them. Also, let us know if you need this meeting earlier – May is our recommendation but your circumstances may require a meeting earlier.

### COVID Telephone Calls with Kerri

COVID telephone Appointments with Kerri continue to be available. Kerri has been working some long hours to fit you all in.

This initial discussion is ½ hour long and \$220 – inclusive of GST. Jordan is talking to anyone interested in order to make this appointment and clarifying your position and questions beforehand so that Kerri is ready to achieve the best outcome in the time available for this telephone discussion.

This fee is well below the cost for us to provide this service, but we think it's important in this climate to work with our clients to ensure you survive, and eventually thrive again. We appreciate your patience in our two-step process as this allows Kerri to help more of you than would otherwise be possible. To help even further, we ask you to send any COVID related questions to Jordan – see email above.

### JobSeeker or JobKeeper

JobKeeper is the better option if you can fund the payroll until the reimbursement in arrears in May. If you haven't physically paid the payroll, you cannot claim JobKeeper. Please book a COVID Telephone Call with Kerri if you need to discuss your eligibility.

JobSeeker is another good option with a relaxation of the eligibility requirements from 27<sup>th</sup> April.

We recommend that you apply for both now and we can determine your eligibility later.

The Tax Office and Services Australia (formerly Centrelink) will communicate with each other to ensure you don't double-dip and end up with a debt.

Please see our website for more detailed information and to keep up to date with the announcements.

### BAS Data to us ASAP

We are seeking your help by getting you BAS data to us as soon as possible and no later than the 14<sup>th</sup> April. We have COVID, year-end lodgements, year-end tax planning, SGC amnesty, and a team that's working from home. Whilst we anticipate extensions from the Tax Office, we have an additional work and unusual conditions to manage in a short period of time. Please help us to help you. Please remember to send your emails to [admin@KDCaccounting.com.au](mailto:admin@KDCaccounting.com.au)

### Payment Arrangements with the Tax Office

The Tax Office is offering generous deferrals on payments with them. If you have a new debt or a payment arrangement, please send an email to Jordan and we will apply to the Tax Office for deferral. Even with a deferral, you can still make payments if that's what you want to do. But putting this in perspective: We don't know how long our distancing requirements will last, and we don't know how long the economy will take to get started again, let alone return to normal.

### Don't fall behind on SG

Please remember that SG (Superannuation Guarantee) is payable, at a minimum, each quarter. It is **not** an annual reconciliation. With the SG Amnesty now legislated, the Tax Office have promised they will be tough on anyone failing their obligations – even if they are their own employee. The penalties are not subjective for the Tax Office to choose to apply or not – they are legislated. There is no leniency even in this COVID environment.

### FBT Motor Vehicle Odometer Readings

Don't forget to take your odometer reading of your vehicle – effective 31<sup>st</sup> March – for any cars owned by your company and provided for an employee's (your) use – excluding commercial vehicles. We need the odometer reading for calculating your employee contribution and avoiding FBT. We would usually send you a letter reminding you of your FBT record keeping obligations but will not have time this year. **Please take this newsletter as a reminder of your obligations and to speak to us if you have any questions.**

### Wills and Powers of Attorney

Nobody wants to talk about their will. But, in this current climate, it is important to check that your affairs are in order.

Can your business survive if you are in hospital? How do your staff get paid? How does your spouse ensure bills get paid and other business operations can continue without the legal authority to do so? Especially if your spouse is prohibited from visiting you in hospital. Does your company constitution specify what happens if your sole-director cannot fulfil their duties? Can your superannuation fund legally sell and buy shares if one of the trustees is incapacitated?

These are all **important questions** and action should be taken sooner rather than later. We have a Will and Power of Attorney service available that we manage in conjunction with Mrs Necia Wearne from Falcon Legal. The process can be managed remotely except for execution of documents which can be managed with social distancing rules at her office or mine.

We encourage you to act now. Initial Fact Finds and further details can be found on our website under Services – go to the bottom of the page and follow the links under Estate Planning.

### Client Portal

Thank you to everyone who has embraced our new client portal.