|  |  |
| --- | --- |
| **A picture containing drawing  Description automatically generated** | **2023 Tax Return Preparation** **Checklist/Questionnaire** |

We provide this checklist to assist you in compiling your income tax records.

It includes details of changes from year to year so is ***critical*** for you to reference when compiling your information. There are sections that might flag you to seek further advice.

**Please note the significant changes in Work From Home (WFH) Deductions. Without our completed worksheet, and your acknowledgement of the changes, we are unable to claim any WFH Deductions from 1/3/2023.**

*Additional printed or soft copies can be obtained from our website and by calling or emailing the office.*

**Options to have your 2023 Tax Return Prepared**

It’s our pleasure to be continuing to offer a number of options this tax season. Our options include:

1. Uploading your information through our ***Client Portal/Document Hub.*** *(Please note: we move your uploads to our Tax Software to decrease the clutter so don’t be alarmed when it’s not there the next time you log in.)*
2. Drop in or mail your completed questionnaire and documents to our office.
3. Phone, Zoom, or in-person Appointments: Please call and make an appointment or do it online at the following link: <https://www.kdcaccounting.com.au/kdc-appointments/>

*(Please note: we do not make appointments by email.)*

**Advise change of details.**

Please remember to advise of any changes in your personal details. In particular:

* Bank account details,
* Contact phone numbers,
* Occupation,
* Postal, home, or email addresses,
* Sale of your home – generally, no tax is payable, but reporting is required to avoid unnecessary audits,
* Sale or transfer of Cryptocurrency – please contact the office for an initial conversation,
* Change from full time study for any of your children / dependents.

**Invested in Crypto?**

Some people have been under the impression that no sales means nothing to report but changes in wallets, staking, and air drops all result in reporting obligations in your tax return. And the AT0 knows about your trades! We can't give you financial or investment advice about your crypto investments but PLEASE consider the impact of the costs of reporting your crypto affairs.

Provide details of all transactions for the year – trades, sales, exchanges, conversions, gifts, usage

Depending on the volume of transactions and the reports from your platform, we may be in touch to discuss ways of summarising the data and saving you money. **See our notes on the front pages.**

Our experience from the past few years is that only a couple of clients earned more than our fees for managing their crypto tax obligations. This does not make any of us happy.

However, we can manage our fees for this work if you take up a subscription to Koinly or Crypto Tax Calculator. Both of these apps will provide the necessary reports to manage your CGT reporting obligations – allowing us to enter summarised data into your return.

It's an annual subscription service which range from $60 (depending on volume) and is tax deductible as a cost of managing your tax affairs so please remember to tell us about it.

The benefit of the subscription is not just the savings in our fees this year, but in capturing your held Crypto and partial sales data. Our time committed to this is cost prohibitive compared to the subscription fees.

**Ask for ATO Pre Filling Report**

As in prior years, please contact the office if you would like a copy of the ATO Pre Filling Report which shows what information the ATO provides for you. Remember: You won’t get an annual statement from your employer or private health insurer.

**Also refer our website for additional resources.**

**BEST WISHES FOR THE 2023 TAX SEASON FROM THE TEAM AT KDC ACCOUNTING**

|  |  |
| --- | --- |
| **A picture containing drawing  Description automatically generated** | **Index to the** **Checklist/Questionnaire** |

Page 4: **Your personal Details**

Incl dependents, spouse income, and bank account details

Page 6: **Income details**

Page 7: **Deductions**

 Motor Vehicles

 Travel

Page 8: Uniforms and protective clothing

 Other work-related deductions Incl union, home office, stationery, and short courses

Page 9: Work From Home – please see our separate fact sheet and work paper

Page 12: Self-education expenses (excl short courses)

Page 13: Interest and Dividend Deductions

Donations

 Income Protection

 Cost of Managing your Tax Affairs (incl our fees – which we have records of)

 Superannuation Contributions – for your spouse

Superannuation Contributions – for yourself

Pages 14-17 **Rental Property Schedule**

 Please complete a separate one for each property

|  |  |
| --- | --- |
| Please complete these details even though we have them on file as it captures changes, we may not have received / processed. | Your Details |
| Full Name |  |
| Main Occupation for the year |  |
| Home Address |  |
| Postal Address (if different to home address) |  |
| Email Address |  |
| Home Phone Number |  |
| Mobile Phone Number |  |
| Preferred Contact Method | email / SMS / phone / other |
| Preferred time to contact | business hours / afterhours / anytime |
| Partner’s Details(Complete if we are not preparing their return) | Name |  |
| DOB |  |
| 2023 Taxable Income |  |
| Dependants: for new clients please complete the following. For returning clients, please advise of any changes to your dependants including any that ceased full time study during the year. Your child is no longer a dependent if over 20 - unless they are a full time student and under 25. Dependent status is disclosed in several places in your return and the definition differs and their income thresholds vary for each disclosure so we need to know the following information:  |
| Do you have any dependent Children? Can you please:* supply names,
* DOB (or at least year of birth),
* if they are studying full time,
* details of their own taxable income

Please add any below or send an email with the details if you have 4 or more. | Child #1 |  |
| Child #2 |  |
| Child #3 |  |
| If a refund is due, the ATO will directly deposit this into your nominated bank account. As banking details can change from year to year, we request that you provide us with your bank details each year. | BSB |  |
| Account Number |  |
| Bank Name |  |
| Account Name |  |
| Private Health Insurance | Please provide annual statement showing type of cover & days covered or complete below.(This statement is most often provided to you through the PFR these days and very few people need to complete the below details). |
| Fund Name |  |
| Membership No |  |
| Type(Circle your cover) | Ancillary / Hospital / Combined |
| Number of Dependants |  |
| Days Covered |  |

|  |  |
| --- | --- |
| A lot of your income information is now provided direct to us via the Tax Office Portal; this is known as the Pre-Filling Report (PFR). Please review your PFR as you complete our questionnaire. You only need to provide information not already covered by your PFR. If you want a copy of your PFR, please contact us.This information will not be available until after 31st July. The Tax Office has asked us not to lodge prior to this date. | Please circle. Yes / No / NAEnter expense amount.Provide receipts where requested |
| INCOME DETAILS |
| Salary & WagesSuperannuation PensionsEligible Termination Payments (ETP)Note: Newstart/Austudy, Age Pension/Other Pension are all on your PFR. | Provide payment summary(s) – Income Statements (If received but most will be available only by the PFR) | Yes / No / NA |
| Pandemic Leave Disaster Payment (PLDP)Available until 30/09/2022 | Provide all PLDP amounts you received for any period during the financial year, along with substantiation (i.e., bank statements or Centrelink statement). Further information can be found here:<https://www.ato.gov.au/uploadedFiles/Content/CR/downloads/COVID-19_tax_quick_guide.pdf> | Yes / No / NA |
| Interest | Provide summary from each account or annual interest statement | Yes / No / NA |
| Dividends | Provide summary from each share or dividend statements | Yes / No / NA |
| Trust Distribution from Managed Fund/Private Trust | Provide annual taxation statement – available sometime from August until November. | Yes / No / NA |
| Partnership Distribution | Provide details (on separate attachment) for the income and any deductions. | Yes / No / NA |
| Cryptocurrency | **See our notes on the front pages.** | Yes / No / NA |
| Sale of Shares or Property | Provide purchase, sale, & DRP documents for sharesProvide purchase & sale settlement statements & any other purchase & sale costs for property sales | Yes / No / NA |
| Did you sell your home? | Did you sell your home during the financial year? (Relying on date of exchange of contract – not settlement date)Was it ever used for income producing purposes (if yes, we will be in contact with further questions) | Yes / No / NAYes / No / NA |
| If Yes: | Did you ever derive rental or business income from this property? | Yes / No / NA |
| Employee Share Schemes | Provide copies of statement showing discount | Yes / No / NA |
| Foreign Income | Provide details | Yes / No / NA |
| Rental Income | Do you have a rental property?If yes, please complete our rental property schedule following at the end of this document. | Yes / No / NA |
| DEDUCTION DETAILS |
|  Is your vehicle under a novated lease? | Yes / No |
| You have 2 options for claiming work related motor vehicle deductions. If you complete both sections we will choose the option with the best outcome – assuming you have sufficient records. |
| OPTION 1Work Related Car Expenses(Up to 5,000kms per vehicle) | Number of kms travelled for work related purposes (see later for KMs for Self-Education) | kms |
| Do you have a logbook or diary to substantiate? | Yes / No |
|  |
| OPTION 2Work Related Car Expenses(Over 5,000kms) | Work use % | % |
| Do you have a logbook or diary to substantiate? | Yes / No |
| Is your logbook less than 5 years old, is the % is still relevant to keep claiming? A new logbook is required every 5 years or if the work use % changes significantly. A new logbook is needed if you buy a new vehicle. | Yes / No |
| Did you purchase a new car this year? If so, provide invoice for this new car, sale details of old car, and new finance documents | Yes / No |
| Fuel | $ |
| Registration (RTA & Greenslip) | $ |
| Insurance | $ |
| Repairs (services, tyres, batteries) | $ |
| Lease expenses | $ |
| Interest (provide loan statements) | $ |
| Car washing | $ |
|  |
| Work Related Travel ExpensesPlease exclude anything reimbursed by your employerPlease note: Trips away for 3 or more nights require a travel diary.Additional items? Please attach a separate sheet. | Flights | $ |
| Taxi fees / Uber fees | $ |
| Tolls | $ |
| Parking fees | $ |
| Car hire | $ |
| Meals - overnight | $ |
| Accommodation - overnight | $ |
| Work-related Uniform and Protective Clothing |
| Work Related Uniforms and protective clothingPlease note: “Ordinary“ clothing is not deductible.It must be:* occupational specific,
* protective, or a
* compulsory uniform that identifies the specific business / employer.
 | Non-compulsory uniforms that your employer has registered with AusIndustry | $ |
| Compulsory uniform strictly enforced by your employer | $ |
| Occupation specific clothing (e.g., Chef pants not used for everyday use) | $ |
| Protective clothing & footwear (e.g., fire resistant clothing, sun protection clothing, safety vests, non-slip shoes, steel capped boots, gloves, overalls, aprons) | $ |
| Work related Laundromat fees | $ |
| Work-related Dry-cleaning fees | $ |
| Work related washing at home? | Y / N |
| If yes, how many loads per week? |  |
| How many weeks did you work this year? Allow for annual leave, public holidays, stand down periods etc) |  |
| Mixed or Separate loads | Mixed / Separate |
| Other Work-Related Expenses (self -education details are on a later page) |
| Please note: Sample usage diaries can be downloaded from our website.**Remember:** | Union fees | $ |
| Tools (if any purchase is over $300, please provide receipt) |  |
| Overtime meals – did you receive an allowance? |  |
| Protective equipment (e.g., safety glasses, safety vests, hard hats, sunhats, sunscreen) |  |
| Office equipment and / or furniture e.g., printer, phones, desks, chairs etc (if any one purchase is over $300 provide receipt)But please see Work from Home details as this has changed some eligibility to claim some of these expenses. |  |
| Professional seminars, courses, conferences & workshops. |  |
| Professional subscriptions / memberships |  |
| Reference books, technical journals, trade magazines, newspapers | $ |
| Reference resources e.g., apps | $ |
| Stationery e.g., printing, postage, diary, paper, pens, calculators, batteries for calculators | $ |
| Briefcases, luggage, suitcases, and % of work-related use substantiated by a usage diary | $ |
| Computer expenses e.g., printer cartridges, USB’s, anti-virus software, other software, computer repairs | $ |
| Were you required to purchase a Rapid Antigen Test (RAT) to attend your work place? | $ |
| Mobile phone (provide monthly fee or total spent for the year and a usage log showing both private and work-related phone calls)Or;I wish to claim the incidental amount of $50Note: You can claim your phone OR Work From Home deductions. If you complete both sections we will choose the best option from the information you provide. Please refer our fact sheet sent earlier or on our website. $ per month $ per yearY / N(Note: we may need to reduce if $50 already claimed elsewhere) |
| Work From Home (WFH) Deductions |
| There have been significant changes to the WFH Rules. Many taxpayers will no longer be entitled to a claim. If you have not completed a usage diary for **EVERY** hour worked since 1st March 2023, there is no claim for this period. Please refer the following pages and our Fact Sheet before completing this information.Given the new rules, and Australian Tax Office funding and commitment to audits on this expense, we will not be including any claims for Work From Home without a completed work sheet from you. |

|  |
| --- |
| Work From Home (WFH) Deductions WORK SHEET |

Fixed-Rate Method

Please see the next page for the actual cost method.

This worksheet should be read in conjunction with our fact sheet emailed with it. Alternatively, you can find our factsheet here:

<https://www.kdcaccounting.com.au/free-resources-and-links/forms/>

|  |  |
| --- | --- |
| **Total hours worked from home 1st July 2022 to 28th February 2023**  | **$\_\_\_\_\_\_\_\_\_\_** |
| I have documentary evidence to prove that I incurred additional running costs because I worked from home. | Yes or No |
|  |
| I have a usage diary for a representative period of at least 4 week period because my work from home hours are fairly regular | Yes or No |
|  |
| OR |  |
| I have a usage diary for every hour worked from home because my work from home hours are not regular. | Yes or No |
|  |
| I performed substantive (significant as opposed to peripheral) income-producing activities when working from home. | Yes or No |
|  |
|  |  |
| **Total hours worked from home 28th February 2023 to 30th June** | $\_\_\_\_\_\_\_\_\_\_ |
| I have a usage diary for **every** hour worked from home | Yes or No |
|  |

|  |
| --- |
| **I have new furniture and equipment items on which to claim depreciation** |
| ItemDescription | Cost - Incl installation costs | Date of Acquisition | % of Private usage  | I have a usage diary(yes / no) |
| Chair |  |  |  |  |
| Laptop |  |  |  |  |
| Printer |  |  |  |  |
| Other: |  |  |  |  |
| Other: |  |  |  |  |

|  |
| --- |
| Work From Home (WFH) Deductions WORK SHEET Contd |

Actual Cost Method

Please provide details for any additional items on a separate sheet.

Name:

This worksheet should be read in conjunction with our fact sheet emailed with it. Alternatively, you can find our factsheet here:

<https://www.kdcaccounting.com.au/free-resources-and-links/forms/>

|  |  |  |
| --- | --- | --- |
| Actual Running Cost Expense descriptionEg Electricity, Gas, Phone, Internet | Calculation Details | Amount to claim |
|  |  |  |
|  |  |  |
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Substantiation Declaration

I have read the KDC Fact Sheet on Work From Home Deductions.

I understand the new, more onerous, substantiation requirements.

I have incurred the costs being claimed and have evidentiary receipts.

I can substantiate my additional running costs with reference to the actual operating costs for energy and related expenses.

I have the requisite usage diaries, timesheets / rosters, and other documentary evidence to prove the connection of the work done from home with my income-producing activities.

I understand the difference between occupancy costs and running experiences.

I understand that if I have any further queries, it is my responsibility to raise them with KDC Accounting who may recommend preparing a Private Binding Ruling from the ATO.

Signed:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dated:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |
| --- |
| Self-Education Expenses (NOTE: Professional development and short courses should not be shown here)Select the letter that best describes your self |
| This is specifically for courses that will provide you with a formal qualification from a school, college, university of other place of education.This does not include professional development such as short one-day courses.You must have met one of the 2 conditions to the right.You cannot claim a deduction for self-education for a course that relates only in a general way to your current employment or will enable you to get new employment. | K | The study maintained or improved your skill or specific knowledge required for your work activities |
| I | You can show that the study was leading to, or was likely to lead to, increased income from your current work activities. |
| Tuition/course fees | $ |
| How many weeks of the year did you do the course? | weeks |
| Textbooks | $ |
| Stationery | $ |
| Computer / printer etc. (if over $300 provide receipt) | $ |
| Office equipment (if over $300 provide receipt) eg, desks, filing cabinets | $ |
| Bank charges | $ |
| KMs related to your self-education  | KM |

|  |
| --- |
| Interest & Dividend Deductions |
| Interest & DividendDeductions | Management fees & fees for ongoing investment advice | $ |
| Interest charged on money borrowed to purchase investments | $ |
| Investment magazines subscriptions/journals | $ |
| Newspapers  | $ |
| Internet (provide monthly fee or total spent for the year and the approximate % used for investment purposes)Or;I wish to claim the $50 incidental amount.Note: Without a 30-day usage diary including all members of your household, on all devices, you are limited to $50 pa per taxpayer against all sources of income. To claim anything more than $50, we do need to see your usage diary. | $ per month$ per year % Y / N(Note: we made need to reduce if $50 already claimed elsewhere) |
| Computer / printer etc. (if any one purchase is over $300, provide receipt) | $ |
| If you used your car to go to your financial advisor, attend AGM’s or attend seminars, provide number of kms  |  kms |
|  |  |
| Provide list of charitable donations (you cannot claim a donation if you received something in return e.g., raffle ticket) | $ |
|  |
| Donations | Please provide receipts or a summary which lists each charity and their ABN (which should be clearly shown on the receipt for entitlement to a deduction). | $ |
| Income Protection | Provide annual taxation statement from insurer (if you don’t have it, please request from your advisor) |  |
| Tax Agent Fees | Provide details only of fees paid to a tax agent other than us | $ |
| Superannuation Contribution on Behalf of Spouse | Did you make a superannuation contribution on behalf of your spouse whose adjusted taxable income was < $40,000? | Yes / No / NA$ |
| Superannuation Contribution | Provide details of any personal superannuation contribution paidProvide the Notice of Intent to claim (NOI) a super deduction and the acknowledgement from the superfund. Please ask if you need assistance in completing your NOI or how much to claim | Documents attached?Yes / No / NA$ |

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**2023 Rental Property**

**Checklist/Questionnaire**

Similarly, to last year, the ATO have their sights on rental properties and holiday homes. They have commenced 2 data-matching programs to collect property management data and rental bond data, ensuring that various income tax reporting obligations have been met.

The information that the ATO will obtain include address, date property first available for rent, period of lease, commencement and expiration of lease, amount of rental bond held, number of weeks the rental bond is for, amount of rent payable for each period, period of rental payments (i.e., weekly, fortnightly, or monthly), type of dwelling, number of bedrooms, rental income category, rental income amount, rental expense category, rental expense amount, and net rent amount.

We have listed below other areas the ATO will be shining a spotlight in 2023 (as in prior years) and we will ensure that we have you covered here in the additional questions or information that we may ask you this year:

* Reviewing loan drawdowns to ensure they are for tax deductible purposes.
* Spreading the cost of capital works and initial property repairs over a number of years
* Ensuring repairs or maintenance are correctly categorised and claimed.
* Failure to apportion expenses where the property was used personally or let for free or at a reduced rent to family and friends.
* Failure to include all rental income, especially from sharing economy platforms such as Airbnb (this is another data matching program the ATO are running)

To ensure that we can complete your tax return efficiently and accurately and to maximise your claims whilst not attracting unnecessary ATO attention, please take the time to review the following checklist/questionnaire for your rental property, complete it and provide it to us with all supporting documentation.

|  |  |  |
| --- | --- | --- |
| Address of Rental Property |  |  |
| Names of Property Owner(s) |  |  |
| Ownership percentages |  |
| Is this a residential or commercial property? |  | Residential / Commercial / Not Sure |
| **If the property was purchased (contracts exchanged or purchase effected) during the year or this is the first year we have prepared your tax return, please provide the following documents** |
| Purchase contract |  | Attached? Y / N / NA |
| Purchase settlement statement  |  | Attached? Y / N / NA |
| Loan offer documents from financial institution |  | Attached? Y / N / NA |
| Legal fees paid on purchase  |  | Attached? Y / N / NA |
| Stamp duty paid on purchase |  | Attached? Y / N / NA |
| Quantity surveyors report (if you don’t have one of these please contact our office to see if it would beneficial) |  | Attached? Y / N / NA |
| Initial repairs carried out (dates and amounts) |  | Attached? Y / N / NA |
| Date the property was first available for rent |  |  |
| **If the property was sold (contracts exchanged, or sale effected) during the year please provide the following documents** |
| Sale contract |  | Attached? Y / N / NA |
| Sale exchange confirmation letter |  | Attached? Y / N / NA |
| Sale settlement statement |  | Attached? Y / N / NA |
| Advertising for sale costs |  | Attached? Y / N / NA |
| Commission on sale paid to real estate agent |  | Attached? Y / N / NA |
| Legal fees paid on sale |  | Attached? Y / N / NA |
| Payout documents from finance institution and last loan statement |  | Attached? Y / N / NA |
| **Provide the following details in relation to the current financial year** |  Please circle and attach. Yes / No / NAEnter expense amount.Provide receipts were requested |
| Agents’ statements | Provide monthly rental statements **OR** annual rental summary statements | Attached? Y / N / NA |
| Loan statements or Mortgage Interest | Provide loan statements for the 12 months to 30 June 2021 or at the very least total interest for the year | Attached? Y / N / NA |
| **Provide details of the following income items received personally i.e., if rent received via your agent do not include details as these will appear on the agent statements** |
| Number of Weeks Rented |  |  |  |
| Rental income (includes back pay rent) |  |  | $ |
| Insurance claims received and/or other recoveries such as water |  |  | $ |
| Was this property rented at market value? |  |  | Yes / No |
| **Provide details of the following expenses paid personally i.e., if paid by the agent do not include details as these will appear on the agent statements** |
| Advertising |  |  | $ |
| Asset replacements < $300 each e.g., blinds, kitchen crockery and cutlery |  |  | $ |
| Asset replacements > $300 each e.g., air conditioner, clothes dryer, dishwasher, fridge, hot water service, oven, TV, washing machine (please provide receipts) |  |  | $ |
| Bank charges / annual fee |  |  | $ |
| Body corporate / strata levies |  |  | $ |
| Capital improvements e.g., antenna, cupboards, fences, floor coverings, garage doors, insulation, landscaping, letterbox, new bathroom, new kitchen, security doors and locks, skylights, swimming pools and spas, wardrobes. |  |  | $ |
| Cleaning |  |  | $ |
| Council rates |  | There are usually 4 per year | $ |
| Electricity / gas (e.g., for holiday rentals otherwise usually paid by the tenant) |  |  | $ |
| Gardening / lawn mowing / tip fees |  |  | $ |
| Insurance (building, contents, landlords,) |  |  | $ |
| Land tax |  | Provide copy of notice from the Office of State Revenue | $ |
| Lease fees |  |  | $ |
| Legal Fees (incurred in relation to recovering rent and/or damages) |  |  |  |
| Pest control |  |  | $ |
| Property Management Fees  |  |  | $ |
| Repairs & maintenance e.g., maintaining plumbing, repairing electrical appliances, replacing broken windows (for items over $300 please provide receipts) |  |  | $ |
| Security monitoring |  |  | $ |
| Stationery / postage |  |  | $ |
| Telephone |  |  | $ |
| Quantity surveyor report expense (please provide a copy) |  |  | $ |
| Travel – accommodation / flights | n/a - as from 1 July 2017, these expenses are no longer tax deductible so only provide this detail if we are preparing an earlier (late) year for you. |
| Travel – motor vehicle expenses | n/a – even if you used your car to collect rent, inspect your property or carry out repairs to your property, as from 1 July 2017, these expenses are no longer tax deductible |
| Water rates |  | There are usually 4 per year | $ |

|  |  |  |  |
| --- | --- | --- | --- |
| Notes or extra details we should be aware of to assist with the preparation of your rental property return for example:* no income received for 6 weeks during COVID-19 as tenant unable to pay or you reduced the rent as a goodwill gesture.
* the property was unavailable for rent for 4 weeks as we used it personally.
* not rented for 6 weeks to carry out repairs.
* not rented for 4 weeks while finding a new tenant
* the property was rented to family or friends for an amount less than the current market rates.
 |  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

We remind you that it is your responsibility to provide us with accurate financial information and to retain documentation to substantiate any deduction claimed. We will not take responsibility for any failure on your behalf to maintain adequate records. We will prepare your income tax return from the information you have supplied to us and by signing the electronic declaration for lodgement (including via our client portal/document hub) with the ATO, you are agreeing that the information is complete, accurate and free from any omissions.

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