

2018/19

**Individual Tax Return
Checklist**

Your Checklist

- **Claims for deductions** ✓
- **Receipts for deductions** ✓
- **Car claims and log books** ✓

Please review the information below and contact our office if you need assistance.

Taxable Income threshold	Tax payable¹
0 – \$18,200	Nil
\$18,201 – \$37,000	19% of excess over \$18,200
\$37,001 – \$90,000	\$3,572 + 32.5% of excess over \$37,000
\$90,001 – \$180,000	\$19,822 + 37% of excess over \$90,000
\$180,001 and over	\$54,097 + 45% of excess over \$180,000

1. The Medicare levy of 2% generally applies in addition to these rates.

Our basic fee structure is as follows:

Individual Tax Return per person per year: from \$176.00 (inc GST)

Please note: if you have additional items in your return, eg: rental property, dividends, small business sole traders, capital gains tax schedules etc. there will be additional charges.

Payment of our invoice is required either on the day of interview or prior to lodgement. If you are receiving a refund you can opt to have your refund deposited into our trust account to enable payment of our invoice from your refund. This will attract a small fee of \$15 per transaction.

Please ensure that you have retained original receipts and other documentation which can substantiate any deductions claimed for work, car and business travel expenses, and confirms that your income tax return has otherwise been correctly prepared based on the relevant information you have provided us.

It is important you are able to substantiate all claims as the Australian Taxation Office has confirmed that it will actively scrutinise income tax returns to ensure that they are correctly prepared particularly to ensure that work-related expense claims are both allowable and can be substantiated.

As your registered tax agent, we are required to demonstrate reasonable care in correctly ascertaining a client's state of affairs under section 30-10(9) of the Tax Agent Services Act (2009). When providing taxation services involving a statement being made to the Commissioner or something else being done on behalf of a client, a registered tax agent must therefore take reasonable care in ascertaining the facts around their client's affairs that are relevant to the service being provided.

Accordingly, as a matter of good practice we need to alert clients of their responsibilities to retain the required documentation to ensure that we can correctly prepare your income tax return and that claims for any work-related expenses can be appropriately substantiated.

We appreciate your support and the opportunity to be of service to you.

If you have further queries on any details contained within this letter or on any other matter, please do not hesitate to contact me on 1300 987 065.

Common claims made by individuals

The following outlines common types of deductible expenses claimed by individual taxpayers, such as employees and rental property owners, plus some strategies that can be adopted to increase deductions for the 2018/19 income year.

1. Depreciable plant, etc, costing \$300 or less

Salary and wage earners and rental property owners will generally be entitled to an immediate deduction if certain income-producing assets costing \$300 or less are purchased before 1 July 2019.

Some purchases you may consider include:

- books and trade journals
- briefcases/luggage or suitcases
- calculators, electronic organisers
- electronic tablets
- software
- stationery
- tools of trade

2. Clothing expenses

Purchase or pay for work-related clothing expenses prior to the end of the income year, such as:

- compulsory (or non-compulsory and registered) uniforms, and occupation specific and protective clothing
- other expenses associated with such work-related clothing, such as dry cleaning, laundry and repair expenses

3. Self education expenses

Consider prepaying the following self education items before the end of the income year:

- course fees (but not HECS-HELP fees), student union fees, and tutorial fees

- interest on borrowings used to pay for any deductible self education expenses

Also bring forward purchases of stationery and text books (i.e., those which are not required to be depreciated).

4. Other work-related expenses

Employees can prepay any of the following expenses prior to 1 July 2019:

- union fees
- subscriptions to trade, professional or business associations
- magazine and newspaper subscriptions
- seminars and conferences
- income protection insurance (excluding death and total/permanent disability)

Note: When prepaying any of the expenses above before 1 July 2019, ensure that any services being paid for are to be provided within a 12 month period that ends before 1 July 2020. Otherwise, the deductions must generally be claimed proportionately over the period of the prepayment.

Information Required

We will need you to bring information to assist us in preparing your income tax return.

Please check the following and bring along payment summaries, statements, accounts, receipts, etc., to help us prepare your return.

Income/Receipts:

- payment summaries for salary and wages (if provided by your employer(s)):
- lump sum and termination payments
- government pensions and allowances
- other pensions and/or annuities

- allowances (e.g., entertainment, car, tools)
- interest, rent and dividends
- distributions from partnerships or trusts
- details of any assets sold that were either used for income earning purposes or which may be caught by capital gains tax (CGT)

Expenses/Deductions (in addition to those mentioned above):

- award transport allowance claims
- bank and government charges on deposits of income, and deductible expenditure
- bridge/road tolls (travelling on business)
- car parking (when travelling on business)
- conventions, conferences and seminars
- depreciation of library, tools, business equipment (incl. portion of home computer)
- gifts or donations
- home office running expenses:
 - cleaning
 - cooling and heating
 - depreciation of office furniture
 - lighting
 - telephone and internet
- interest and dividend deductions:
 - account keeping fees
 - ongoing management fees
 - interest on borrowings to acquire shares
 - advice relating to *changing* investments (but *not* setting them up)

- interest on loans to purchase equipment or income-earning investments
- motor vehicle expenses (business/work related)
- overtime meal allowances
- rental property expenses – including:
 - advertising expenses
 - council/water rates
 - insurance
 - interest
 - land tax
 - legal expenses/management fees
 - genuine repairs and maintenance
 - telephone expenses
- superannuation contributions by sole traders or substantially unsupported taxpayers
- sun protection items
- tax agent fees
- telephone expenses (business)
- tools of trade