



More than just numbers

We grow with your business



THE CP CATCHUP

WELCOME TO THE SEVENTH EDITION OF THE CP CATCHUP

APRIL 2013

Reminder: Get your information in for your 2012 tax returns, before the fast approaching final deadline of 15 May 2013.

Please check out our website at www.cpnnumbers.com.au and don't forget to follow us:



Meeting Your Minimum Pension Payments

Once a Self-Managed Superannuation Fund (SMSF) starts to pay a superannuation income stream, it may be entitled to exempt a portion of the income earned from the fund's assets until such time as the pension ceases. This is referred to as 'exempt current pension income' (ECPI).

If a fund fails to meet the minimum pension payment requirements for pension in an income year, the super income stream will be taken to have ceased at the start of that income year for income tax purposes. This means the fund will not be entitled to treat income or capital gains as ECPI for the year.

Therefore income tax on earnings will be incurred.

If the relevant rules are again complied with in the following income year, this results in the commencement of a new pension. The trustee will need to revalue assets at market value and recalculate the minimum pension payment required at the start of that year.

The ATO states that the Commissioner may exercise his general powers of administration to allow the SMSF to continue to claim ECPI where the fund fails to meet the minimum pension payment requirements if all of the relevant conditions are satisfied, being:

1. The trustee failed to pay the minimum pension amount in that income year because of either:
 - An honest mistake made by the trustee resulting in a small underpayment of the minimum payment amount for a superannuation income stream; or
 - Matters outside the control of the trustee.
2. The entitlement to the ECPI exemption would have continued but for the trustee failing to pay the minimum payment amount.
3. Upon the trustee becoming aware that the minimum payment requirement was not met for an income year, the trustee makes a catch-up payment as soon as practicable in the following (current) income year; or treats a payment (intended prior year payment) made in the current income year, as being made in that prior income year.
4. Had the trustee made the catch-up payment in the prior income year, the minimum pension standards would have been met.
5. The trustee treats the catch-up payment, for all other purposes, as if it were made in the prior income year.



ATO Writes to Employers : Superannuation Changes

The ATO has advised that in April 2013, it will be sending information directly to employer clients of tax agents with super guarantee obligations to remind them of a range of super reforms being implemented from 2013 to 2019. According to the ATO, this includes the increase in super guarantee payments (from 9 % to 9.25 % from 1 July 2013) and the removal of the upper age limit of 70 for making super guarantee contributions.

Period	Super Guarantee Rate (charge percentage)
1 July 2003 - 30 June 2013	9 %
1 July 2013 - 30 June 2014	9.25 %
1 July 2014 - 30 June 2015	9.5 %
1 July 2015 - 30 June 2016	10 %
1 July 2016 - 30 June 2017	10.5 %
1 July 2017 - 30 June 2018	11 %
1 July 2018 - 30 June 2019	11.5 %
1 July 2019 - 30 June 2020 and onwards	12 %

Client In Focus - Montania Café Bar Restaurant

Located in Ferntree Gully, Montania Café Bar Restaurant is a warm family friendly environment to eat and relax. Open 7 days a week for breakfast, lunch and dinner, they offer a huge and diverse menu and are fully licensed. All seasons are catered for with a cosy interior for the colder weather and a lovely outdoor space for sunny days. For the 5th year in a row, with a total score of 98.94% for customer service, Montania is the winner of the 2013 Australian Achievers Award for Victoria's restaurants.



Shop 52, Mountain Gate Shopping Centre, Ferntree Gully - www.montania.com.au - Phone 9756 0022

Important Upcoming Dates

April 21st 2013

March 2013 Monthly Activity Statement Due

April 28th 2013

March 2013 Quarter Business Activity Statement Due

April 28th 2013

March 2012 Quarter Superannuation Contributions Due

May 15th 2013

All Other Tax Returns Due

May 21st 2013

Fringe Benefit Tax Returns Due

May 21st 2013

April 2013 Monthly Activity Statement Due