



More than just numbers

We grow with your business



# THE CP CATCHUP

WELCOME TO THE EIGHTH EDITION OF THE CP CATCHUP

JUNE 2013

It's almost the end of financial year, and then it starts all over again! Send your information in early this year & stay on top!

Please check out our website at [www.cpnnumbers.com.au](http://www.cpnnumbers.com.au) and don't forget to follow us:



## 85% On-Time Lodgment Requirement

From 1 July 2013, we will be required to lodge 85% or more of our clients' current year returns by the lodgment program due date, or by the deferred due date if a deferral is granted. Additionally, concessional lodgment dates available under the lodgment program will only apply to returns we lodge electronically. If we lodge a paper return after the statutory due date, late lodgment penalties may be applied.

If our yearly averaged performance percentage does not meet the 85% benchmark, we will be contacted by the Australian Taxation Office (ATO) for them to understand our individual circumstances and discuss options to improve our performance percentage. This may result in the ATO guiding our lodgment program due dates for the following year or, in serious cases, losing our access to the lodgment program.

## ATO Reminder : Trustee Resolutions Must Be Made By 30 June

The ATO has reminded trustees who make beneficiaries entitled to trust income by way of a resolution that they must do so by the end of the year (i.e. 30 June). It said the resolution will determine who is to be assessed on the trust's taxable income. The ATO said trustees should consult the relevant trust deed and comply with the requirements of the deed (i.e. if the deed requires that a resolution be made earlier than 30 June, the deed should be followed). It said there is no standard format for resolutions and the most important thing is for the resolution to establish, in one or more beneficiaries, a present entitlement to the trust income. **If you have a Discretionary or Family Trust, CP will be in contact by 21 June 2013.**

## Increasing SMSF Supervisory Levy

The Superannuation Legislation Amendment Bill 2013 received Royal Assent on 28 May 2013. The Bill will increase the maximum amount of Self Managed Superannuation Fund (SMSF) supervisory levy from \$200 to \$300 from 1 July 2013.

## Increase In Online Scams - ATO Warning

The ATO has warned taxpayers that it is seeing an increase in the number of sophisticated email and phone scams designed to trick people into giving away their personal details such as TFN's, and banking and credit card details. It said reports of email scams have tripled to almost 11,000 in the first quarter of 2013 compared to the same quarter last year.



## Online Selling - Hobby or Business?

If you sell products or services online, you need to understand whether you are doing it as a hobby or carrying on a business.

### Definitions

- A hobby is a spare-time activity or pastime pursued for pleasure or recreation
- A business requires some form of investment and enough customers to whom its goods or services can be sold on a consistent basis with the intention of making a profit
- When selling online becomes a business, the income you earn from it is subject to tax. If this is the case, you may also be eligible for tax deductions.

### Quick Checklist

There are questions you can ask yourself to work out if you are undertaking a hobby, or carrying on a business that should be declaring income:

- Did you set up your online sales with the intention of being a business?
- Do you pay for your online-selling presence?
- Is your main intention to make a profit?
- Do you make repeated or regular sales?
- Do you sell your online items for more than cost price?
- Do you manage your online selling as if it were a business?
- Is what you are selling online similar or the same as what might be sold in a 'bricks and mortar' business?

Each time you answer 'yes' to a question the likelihood that you are carrying on a business increases. However, all of the questions need to be considered together to get an accurate picture of your personal situation.

For more information or to discuss your personal circumstances, please contact CP.

## Client In Focus - Spread Eagle Hotel



The Spread Eagle Hotel is positioned both geographically and emotionally in the heart of Richmond. We have been pouring drinks for Richmond regulars for 127 years and we are proudly a locals pub.

We offer an ever-evolving list of modern recipes including classic bistro dishes that we all love along with comfort favourites. One of the main features of our hotel is a quaint island bar that allows you to look onto the hustle and bustle of Bridge Road. We have 10 beers on tap, an extensive wine list and cocktails for those nights when celebration is a must. We can cater for a function of 20 – 150 people, as well as a range of corporate groups.

Since its colourful beginning to the current day The Spread Eagle has had one goal in mind – serve Richmond with good old-fashioned hospitality!

Come down and have a drink with us at The Spready.

Spread Eagle Hotel, 372 Bridge Road, Richmond - <http://www.spreadeagle.com.au/> - Phone 9428 6895

## Important Upcoming Dates

### July 15<sup>th</sup> 2013

PAYG Withholding Payment Summaries Received (Employees)

### July 22<sup>nd</sup> 2013

June 2013 Monthly Activity Statement Due

### July 29<sup>th</sup> 2013

June 2013 Quarter Business Activity Statement Due

### July 29<sup>th</sup> 2013

June 2013 Quarter Superannuation Contributions Due

### August 14<sup>th</sup> 2013

Annual PAYG Withholding Summaries (Employers)

### August 21<sup>st</sup> 2013

July 2013 Monthly Activity Statement Due