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THE CP CATCHUP

WELCOME TO THE THIRTEENTH EDITION OF THE CP CATCHUP

JUNE 2014

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



2014-15 Federal Budget : Temporary Budget Repair Levy

As part of the 2014-15 Federal Budget, the Treasurer announced that the Government will introduce a Temporary Budget Repair Levy (the TBR levy) on high income earners.

The TBR levy will apply from 1 July 2014 until 30 June 2017 at the rate of 2% on individuals' taxable income in excess of \$180,000. For example, this means that an individual with taxable income of \$250,000 will pay a levy of \$1,400 per annum. From 1 April 2015, the FBT rate will also be increased from 47% to 49% until 31 March 2017.

Other tax rates that are based on the top personal tax rate will also be increased for the same period as the TBR levy (i.e. from 1 July 2014 to 30 June 2017) to maintain integrity and fairness of the tax system.

Simpler Tax Returns

On 4 May 2014, the Treasurer announced that the Commonwealth Government will introduce new and simpler tax returns allowing individuals to lodge their tax return through a smartphone, tablet or computer using their web browser. The initiative is called MyTax. In the announcement, the Treasurer said that from 1 July 2014, the ATO will provide an online and substantially pre-prepared tax return for individuals without complex tax affairs. The ATO will prefill the return with information provided by other organisations such as banks and employers.

Taxpayers will be able to use MyTax if:

- They were an Australian resident for the financial year;
- They have income only from salary, wages, allowances, bank interest, dividends and/or Australian government payments;
- Their only deductions are for work-related expenses, expenses related to interest or dividend income, donations and/or the costs of managing their tax affairs; and
- The only offsets they want to claim are the senior and pensioner tax offset/and or zone and overseas forces tax offset.

Taxpayers will receive an SMS or email from the ATO advising that MyTax may be appropriate for them.

Taxpayers will be ineligible to use MyTax if they have:

- | | |
|---|-------------------------------------|
| ➤ Business income or losses | ➤ Foreign income |
| ➤ Rental properties | ➤ Lump sum payments |
| ➤ Partnerships or trusts, including managed investment trusts | ➤ Employee share schemes |
| ➤ Capital gains or losses | ➤ Superannuation income streams, or |
| | ➤ Superannuation lump sum payments. |



Higher Education Loans : Repayment Income and Rates

The ATO has issued the following updates to the repayment incomes and repayment rates for the Higher Education Loan Program (HELP):

HELP Repayment Income	Repayment Rate
Below \$53,345	NIL
\$53,345 to \$59,421	4%
\$59,422 to \$65,497	4.5%
\$65,498 to \$68,939	5%
\$68,940 to \$74,105	5.5%
\$74,106 to \$80,257	6%
\$80,258 to \$84,481	6.5%
\$84,482 to \$92,970	7%
\$92,971 to \$99,069	7.5%
\$99,070 and above	8%

Motor Vehicle Cents per Kilometre Rates : 2013-14

The ATO has issued the following updates to the work related car expenses claim:

Engine Capacity		Rate per Kilometre
Non-Rotary	Rotary	
Up to 1,600cc	Up to 800cc	65 cents
1,601 to 2,600cc	801 to 1,300cc	76 cents
Over 2,600cc	Over 1,300cc	77 cents

Data Matching : Online Selling

The ATO has announced that it will conduct an online selling program to obtain details of online sellers who sold goods and services to the value of \$10,000 or more in the 2011/12 and/or 2012/13 financial years via online selling sites.

Data owners will be included in the program where they:

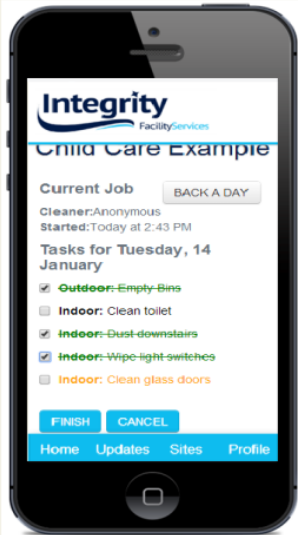
- Operate a business in Australia that is governed by Australian law;
- Provide an online market place for businesses and individuals to buy and sell goods and services;
- Track the activity of registered sellers;
- Have clients whose annual trading activity amounts to \$10,000 or more; and
- Have trading activity for the year/s in focus.

If the client base of a data owner does not present an omitted or unreported income risk, or the administrative or financial cost of collecting the data exceeds the benefit the data may provide, the data owner may be excluded from the program.

Applying the above criteria, the ATO will collect data relating to between 15,000 and 25,000 individuals for 2012 and 2013 from eBay Australia & New Zealand Pty Ltd.

Ref: NTAA Voice – Edition 236

Partner In Focus - yIndustrial Industrial Apps - What Are They?



Apps are pervading our lives/IT use for social/retail links, such as games, buying consumer products like wine, clothing, real estate, playing music, checking time tables, etc. These Apps involve communication to and from “smart” phones and tablets. No computer, software or websites are involved. The latest development in Apps is for industrial uses and this will revolutionise the way operational processes are communicated, analysed and managed for speed and effectiveness. Our partner, yIndustrial Pty Ltd is releasing these Apps to industry, particularly where staff or contractors are performing work away from their offices. Cleaning contractors, security firms, building and construction contractors, maintenance contractors, trucking companies, large manufacturing facilities, industrial auditors, equipment service providers, etc, can all make large productivity gains by using these Apps.

A simple example of these gains is time sheets for starting and stopping work where, at the moment, paper forms are mainly used. These are slow to reach the admin office and have to be compiled and checked before payment for work can be made. The yIndustrial App means that workers log on and off to specific jobs via their smart phones and this is immediately uploaded at the admin office. The App can consolidate time sheets for the paymaster.

Another industry wide problem is tracking holiday and sick leave entitlements and this can be done by an App that allows employees to track this on their Smart phones. Other more complex processes can be tailor made for each user, such as OH&S checklists for performing work safely, real time registers for vehicle pre-start checks and regular servicing, planned maintenance for plant and equipment, etc. The Apps are not expensive to develop for each business and there is a monthly fee depending on the number of users. Contact us to arrange a free meeting with a yIndustrial representative.

yIndustrial - www.yindustrial.com.au - Phone 1300 996 753

ATO Keen for Taxpayers to Avoid Tax-Related Scams

The ATO advises that while it may email, SMS message or phone taxpayers, it will never ask for:

- Personal details, such as driver’s licence, mother’s maiden name; or
- Credit card, including CVN, or bank details.

Where this happens, they advise that taxpayers should not progress with the email, SMS or phone call. If a taxpayer is in doubt about the authenticity of a call that they receive from the ATO, they should contact the ATO on one of its publicly listed numbers to verify the legitimacy of the call.

Email scams

These emails claim to come from the ATO and usually offer a tax refund. Generally, they link to a bogus ATO website asking for personal and credit card details.

Mobile phone scams

Mobile phone scams can differ in appearance and level of sophistication but will generally state the taxpayer is eligible for a refund and instruct them to click on a link to submit a form to receive the refund. Again, generally they link to a bogus ATO website and ask for personal information (including mobile phone numbers) and credit card details.

By clicking the link or filling in the details, taxpayers will potentially expose themselves to identity theft.

Ref: NTAA Voice – Edition 236

CP IS ON THE MOVE

As of Monday 7 July 2014, we will be located at : SUITE 5, 115 HAWTHORN ROAD, CAULFIELD NORTH, VIC 3161

Our new postal address is: **PO BOX 2628, CAULFIELD JUNCTION, VIC 3161**

All other details remain the same

