



Tourist Refund Scheme – Retail

As the summer months come ever closer and tourist season ramps up, we thought this may be of interest to our retail clients. If your business is registered for GST & a tourist spends \$300 or more (inclusive of GST) in your shop within 60 days of the customer departing from Australia, they may be entitled to a GST refund through the Tourist Refund Scheme.

For the tourist to claim a GST refund through the scheme they must present the following to the Tourist Refund Scheme (TRS) desk at the airport or seaport.

- A valid tax invoice or invoices from the one ABN totalling \$300 spent within the last 60

days of their departure

- The goods purchased
- Their boarding pass & passport

Unfortunately, the scheme only covers goods, not services like accommodation. However, you can encourage your overseas tourists to spend more than \$300 to receive a 10% refund once they reach the airport or seaport.

For more information please search for the Tourist Refund Scheme on the Australian Governments, Department of Immigration and Border Protection page or on the ATO's website.

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Please Remember

By necessity the contents of this newsletter are summary only. Clients should contact us on 6431 3933 to discuss matters prior to acting.

Our Christmas Holiday period:

Burnie:

1pm Friday 23/12/16 to
8.30am Monday 9/1/17

Smithton:

5pm Thursday 22/12/16 to 8.30am
Thursday 12/1/17

Dairy Recovery Concessional Loan Update

The Australian Government have re-jigged their Dairy Recovery and Drought Assistance Concessional Loans. The interest rate has dropped (As at 1 November 2016 is 2.47%) and the loans are easier to apply for. Applications opened on 1 November 2016 and may remain open until 30 June 2017 or until funding is fully committed, whichever occurs first. For more information, please check the guidelines at the following website:

http://www.stategrowth.tas.gov.au/home/grants_and_funding/loans/dairy_recovery_concessional_loans_2017





Arthur River Cruises is owned and operated by Lesley Fearon & Greg Knight. They purchased the business in August 2014.

They had both previously worked for NSW Health on the Mid North Coast of NSW. While on a campervan holiday in the North West Coast, they took a cruise on the 'MV George Robinson'. While on the cruise, they were informed that the business was for sale. Four days later they bought the business and two days later purchased their home at Arthur River.

It has been a steep learning curve for them. Lesley runs the office and had previously never done any bookkeeping. Lesley has mastered the Cashflow Manager program, but readily acknowledges that it was a challenge. She has also obtained her

'Ship Board Safety' ticket and is the deckhand 2-3 days a week.

Greg worked on the vessel everyday during the 2014-2015 season to accumulate the required sea time hours to sit the exams for his Masters ticket. Rob Hutton is employed as their weekday skipper. Rob has been skippering on the vessel for 15 years and is a great asset to their business. Greg now skipper on weekends.

Considerable maintenance was undertaken this past winter with a new roof for the vessel, a new propeller shaft system installed, a full repair and other improvements.

The cruise is receiving very positive reviews with passenger numbers climbing slowly.

Lesley and Greg are passionate about the pristine Arthur River and thoroughly enjoy taking passengers 14kms up the Arthur River to 'Turks Landing', and have made many good friends at Arthur River.

Recently the team at Elphinstone Stevens climbed aboard the MV George Robinson and had a very pleasant day on the river with a scrumptious BBQ lunch also included. The team would like to thank Greg and Lesley for their warm hospitality and were impressed to hear their broad knowledge on the flora and fauna of the area. We can personally highly recommend a cruise on the red boat at Arthur River.

Why Backing Up Accounting Data Regularly Is Important!

For many of our clients using accounting software such as; Cashflow Manager, MYOB and Reckon (Quickbooks), backing up your data should be done so on a regular basis.

This is because the accounting data is essential in the processing of your BAS's, end of year financials and tax. If you were to lose your data unexpectedly without a recent copy of the backup then it may cost you significant time & money having to re-enter this data.

Data files can be lost unexpectedly due to:

- Computer crashes - Can happen when you least expect it.
- Virus Infection - Can corrupt files and disable computers
- Hard drive failure - Finite lifetime, and can fail suddenly and without warning
- Physical computer damage - Laptops especially can be easily damaged if dropped or have drinks spilled over them.
- Theft - sought after by thieves.

To avoid any potential data loss in the future, we would recommend that you backup your file each time data is entered into your accounting software with the backup saved to an external USB or Hard Drive and stored in a safe location. If your data is then lost unexpectedly due to but not limited to the scenarios mentioned above, then you can rest assured that your data will be safe in the backup contained externally. For the tech savvy, there are also cloud backup options available. Please speak to your trusted IT specialist if you wish to look into this further.

Advising on Superannuation and Self-Managed Super Funds (SMSF)

Up until 1 July 2016, Accountants had an exemption on being licenced to provide advice surrounding superannuation including the establishment or winding up of a SMSF. This exemption has now been removed and accountants must be appropriately educated and authorised to provide this advice.

This is a significant change and one that brings further legislative and administrative requirements that we must be mindful of when assisting clients. To ensure that we are able to provide you with appropriate advice in relation to your superannuation and SMSF needs, Elphinstone Stevens Pty Ltd is now a Corporate Authorised Representative (No. 124 5151) with David Elphinstone being appointed as an Authorised Representative (No. 124 5176) of the SMSF Advisers Network Pty Ltd (ABN 64 155 907 681), who hold an Australian Financial Services

Licence (AFSL No. 430062).

This authorisation enables us to provide strategic advice on Superannuation and SMSF, that is appropriate to you and your circumstances.

This advice can include:

- Establishing or winding up of an SMSF;
- Transferring or rollover of funds to an SMSF;
- Commencing or amending a pension;
- Making contributions to super;
- Withdrawing and recontributing funds into super;
- Assisting trustees in the preparation or review of an SMSF investment strategy

To ensure we meet the new legislative and regulatory obligations, we must first provide you with a Financial Services Guide (FSG) which outlines who we are, who SMSF Advisers Network are, what advice we can provide you, what we charge and the recourse you can take should you be dissatisfied with any advice or service we provide you. We will then need to obtain detailed fact find information from you prior to providing advice. This advice must then be documented for you in a Statement of Advice (SOA), which you must sign prior to implementing our recommendations.

We may change the way we deliver advice to you but we will continue to provide you with the same or improved level and quality of service.

Please contact our office if you have any questions regarding these changes.



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Deductions

The ATO have adopted a broad strategy that targets excessive deductions and ensures tax payers are only claiming what they are entitled to. This year, the ATO has targeted specific expenses and chances are you're probably claiming at least one of them.

The ATO's sophisticated data-matching systems will help scour through more than 12 million tax returns this year and check up on 50,000 claims. The Australian Taxation Office will pay special attention to the following expenses:

- Work related travel expenses
- Work related car expenses
- Work related telephone expenses

If you claim any of the above work expenses, it's imperative to keep detailed records and secure the backing of your employer. For example, the ATO expects motorists to keep logs of distances travelled for work and will also contact employers to corroborate expenses. Simply providing petrol receipts may not be enough to satisfy an audit. However, if the total amount you are claiming is \$300 or less, you need to be able to show how you worked out your claims, but you do not need written evidence.

In addition to the above, the ATO will also be looking for expense claims that are much higher than other people in the same occupation. If your work expenses are significantly higher than in previous years, you might want to seek advice from an accountant prior to filing your tax return.

Remember: for a work expense to be claimable, you need to have spent the money yourself and not been reimbursed by your employer. Obviously, it must also relate to your job and you need to keep a record to prove it.



\$1.6 Million Super Cap

Final legislation for the Government's \$1.6 million pension cap has now passed both houses of Parliament and will be enacted from 1st July 2017. The legislation is complex and very new, so here's what we know:

- The \$1.6 million superannuation transfer cap is effective from 1st July 2017 and applies to the total amount of superannuation that an individual can transfer into retirement phase accounts.
- The cap applies to both current retirees and individuals yet to enter their retirement phase.
- The \$1.6 million superannuation transfer balance cap will be indexed in \$100,000 increments in line with the consumer price index (CPI/inflation). However, if you fully utilise the \$1.6 million transfer balance cap when moving into retirement you cannot take advantage of the periodic increases in the transfer balance cap.
- As at 1st July 2017, each individual will have a personal transfer balance cap reflecting the amount they can transfer to retirement

phase, and to track this cap, each individual will have a transfer balance account.

- If you are already in retirement at 1 July 2017 and have pension balances exceeding \$1.6 million you will be required to take action, to avoid excess transfer balance tax. If you are in this category you have two options:

1. You can transfer the excess above \$1.6 million into an accumulation account within your existing super fund, or another super fund, OR
2. You can withdraw the excess above \$1.6 million out of the super system.

*We strongly recommend you discuss your personal situation with us before you undertake either of these options.

- It appears there will be capital gains tax (CGT) relief for SMSF's using the unsegregated approach to working out exempt earnings.
- Post July 2017 investment earnings/losses do not change the value of a person's transfer balance account.

- From 1 July 2017, partial commutations of super pensions will no longer be counted towards the annual minimum pension payment (i.e. you cannot recycle your pension payments back into pension phase).

As you can see these new rules will affect all individuals with superannuation regardless of whether you are involved in an SMSF or not. We expect that there will be a considerable amount of commentary available in relation to the direct impact of our client's funds, which will be released over the coming weeks. In the New Year, we will directly liaise with our client's and their financial advisers with appropriate strategies for those who will be impacted. However, if you wish to discuss the legislation in the meantime please do not hesitate to give Alysha a call.

Are you lodging your own BAS?

Are you still lodging your BAS by paper? Each business owner is able to lodge their BAS and view current balances; access payment slips etc., via the ATO's business portal. The portal requires an Auskey to be setup and can only be setup on one computer. Once setup, it is simply a matter of logging in

securely using the Auskey installed on the computer and a password.

For many businesses, if lodging electronically through the portal you are entitled to an extended lodgement and payment due date of two weeks after the usual paper deadline. If cash flow is an issue in your business, this

may give you extra time to make the required payment or simply extra time to prepare the form each quarter.

If you would like to know more on the portal please contact our office or search for the ATO Business Portal.

Do you require any further information from this edition?

Simply tick which of the items interest you and we will be pleased to send you further information

- Tourist Refund Scheme - Retail
- Client Profile - Arthur River Cruises
- Why Backing Up Accounting Data...

- Advising on Superannuation and ...
- Deductions
- \$1.6 Million Super Cap
- Are you lodging your own BAS?

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