



## Director ID Number

### Applies to all company directors - time to take action

All company Directors are now required to have their own unique Director Identification Number (DIN). A Director ID is a unique (15-digit) identifier that a director will keep forever (even if they cease being a director). This additional layer of identification verification has been primarily introduced by the Government to prevent the appointment of fictitious directors, and facilitate traceability of an individual director's profile and their relationships with companies over time.

The date you must have your Director ID depends on the date you became a director, as summarised below:

#### Date you were/are appointed as Director

On or before 31 October 2021  
Between 1 Nov 2021 and 4 April 2022  
From 5 April 2022

#### Date you must apply by

30 November 2022  
Within 28 days of appointment  
Before being appointed as director

You can now apply for this by visiting [www.abrs.gov.au/director-identification-number](http://www.abrs.gov.au/director-identification-number) and selecting 'apply now'. If you have not already set up your myGovID you will be prompted to do this prior to applying for your DIN. (Please note myGovID is completely different to myGov).

Applying for your DIN electronically is the preferred method. However applications can also be made via phone or paper. More information can be found on the ABRS (Australian Business Registry Services) website.

Once your DIN has been granted, please provide to us so we can update our records. Please note, unfortunately we cannot apply for your DIN on your behalf. However, if you need assistance in obtaining, please arrange a time to come into the office and we can assist face to face.

## 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.

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## Christmas Holiday Period

**Burnie Office:** 4pm 23/12/2021 to 8:30am 10/1/2022

**Smithton Office:** 5pm 16/12/2021 to 8:30am 13/1/2022

The team at Elphinstone Stevens thank you for your continued support throughout 2021. We hope you and your families have a safe and happy Christmas & New Year and look forward to working with you in 2022.

## Reminder for First-Time Share Investors

With the growth of micro-investment platforms helping new investors enter the market, the ATO has issued a reminder for first-time Share and Exchange Traded Funds (ETF) investors to ensure they understand their tax obligations.

Any income, such as dividends and distributions (even if reinvested to purchase additional shares/units), need to be declared in your tax return. In addition there will be a capital gains tax event on the sale of these investments which also needs to be disclosed to the ATO.

The ATO receives this information from third parties and cross checks it against the information reported in tax returns. Whilst the ATO received this information it is important for tax payers to ensure the ATO data agrees to their records and all information has been correctly reported.

## The Tax Treatment of Cryptocurrency

Unless you've been living under a rock, you've probably heard the term 'cryptocurrency'; but have you heard about the tax consequences of cryptocurrency trading?

Generally, cryptocurrency is a capital asset meaning its disposal will result in a capital gains tax event. The capital gains event will occur when you sell your cryptocurrency for Australian Dollars (or another recognised currency) and when you swap one cryptocurrency for another cryptocurrency. Each cryptocurrency is a separate capital gains tax asset.

Any capital gain or loss made must be included in your tax return. To determine the amount to be included a detailed record of the transactions should be kept; including (but not limited to):

- receipts of purchase or transfer of cryptocurrency
- exchange records
- digital wallet records and keys
- software costs related to managing your tax affairs

If you are using a digital wallet to transact there are usually reports available to download which include most information required.

The ATO is beginning to receive information from third parties in relation to cryptocurrency trading and will be cross matching this to data reported in tax returns.

## Christmas Parties & Gifts

"The cost of providing a Christmas party is income tax deductible only to the extent that it is subject to FBT. Therefore, any costs that are exempt from FBT (that is, exempt minor benefits and exempt property benefits) cannot be claimed as an income tax deduction." (From ATO website)

### In other words:

If a Christmas party is held on your premises on a work day: It is not subject to FBT, and is not tax deductible if:

- Only employees attend
- Current employees and Spouses attend at \$300 or less per person
- Employees and Clients attend at \$300 or less per person
- Any costs above \$300 per person for employee associates only may be claimed and FBT will apply

If a Christmas party is held at another premise:

It is not subject to FBT, and is not tax deductible unless:

- For employees and associates, FBT applies and a tax deduction may be applied if the value is more than \$300 per person
- Unfortunately, for the vast majority of circumstances, Christmas parties are not a tax deduction and are not a taxable supply. (ie GST also cannot be claimed)

### Client and Employee Gifts

#### Which gifts can be claimed?

If the gift is not classified as 'entertainment', gifts to employees and clients may be claimed as a tax deduction and GST credits can be claimed under the following circumstances:

- If the gift is less than \$300, it is considered a 'minor benefit' and may be claimed as a business expense
- Gifts over \$300 may incur FBT and may still be claimed as a business expense

Gifts you can claim include: a Christmas hamper, a bottle of whisky, wine, gift vouchers, a bottle of perfume, flowers a pen set.

#### Which gifts cannot be claimed?

Gifts that contain an 'entertainment' element such as a holiday, membership to a club, tickets to a theatre, sporting, movie or musical event cannot be claimed if they are under \$300. If these gifts are over \$300, they may be claimed but will be subject to FBT.

If you would like more information about what expenses you can claim, please contact our office.

# CLIENT PROFILE

## BURNIE FUEL INJECTION SERVICE

### As compiled by Burnie Fuel Injection Service.

The team at Burnie Fuel Injection Service deliver to Burnie, the North West Coast and the whole of Tasmania, specialist automotive repair services, backed up by friendly, knowledgeable customer service.

We can repair or fully rebuild common rail and mechanical injection systems. We specialise in servicing diesel systems, and are capable of enhancing, repairing or completely rebuilding fuel pumps, injectors and turbochargers, as well as offering a complete range of automotive mechanical services, for cars, trucks, four-wheel drive vehicles, agricultural equipment, marine engines, earth moving equipment and much more.

Our specialist equipment and up to date training means that we can professionally repair and service injection systems and perform a range of other complex repairs on all makes and models of petrol and diesel vehicles. We can also provide routine manufacturer logbook servicing, both minor and major services, using quality aftermarket components.



Owners Heath & John Shipley and their families are North West locals whom purchased a share of the business in 2013 and the remainder of the business in 2019.

Due to continued growth we have out grown our workshop facilities at 2/22 Durham Road, Cooee and recently relocated to our new workshop just around the corner at 3 Durham Road (the old Wyllie Tiles building). The new premises is equipped with state of the art equipment to maximise the performance and efficiency of all fuel injection systems. Our relocation has enabled us to increase efficiency and output, plus has allowed us an extra two employees.

**Elphinstone Stevens congratulates Heath, John, their families and staff on their continued growth and the brand new facility. It is a pleasure working with long standing clients such as these as they strive to achieve their business and personal goals.**







## Guide to Stapled Super Funds

From 1 November 2021 employers have an extra step to take when they have a new employee and they don't choose a super fund.

### What you need to do from 1 November 2021

#### Step 1: Offer your eligible employees a choice of super fund

You need to provide your new employees a Superannuation Standard Choice Form for them to nominate their preferred superannuation fund. The Superannuation Standard Choice Form is available on the ATO website. If the employee provides the completed Standard Choice Form there is no further action required; you have the required information to pay superannuation to their nominated fund.

#### Step 2: Request stapled super fund details

If your employee doesn't complete the Standard Choice Form you are required to request their Stapled Superannuation Fund details. This is done by accessing 'ATO Online Services for Business' (previously the 'Business Portal'), selecting the 'Employees' menu then 'Employee Super Accounts'. You will then need to input the employee's full name, TFN, DOB and address. The ATO will verify these details and provide their stapled super fund details; which you must use. Please note the ATO will only be able to verify these details if there is an established employer-employee relationship. This will be the case if the employer has submitted a TFN declaration or single touch payroll pay event.

#### Step 3: Pay super

After completing either step 1 or 2 above you should have the required details to pay super into either:

- The Super Fund nominated on the Superannuation Standard Choice Form;
- The Stapled Super Fund details obtained from the ATO; or
- Your default Super Fund if you cannot pay into the two above.

As a reminder; superannuation is due 28 days after the end of the quarter it was accrued. If super is unpaid or paid late a Superannuation Guarantee Charge Statement is required to be lodged.



## ATO Warns Property Investors about Common Tax Traps

In 2019/20, over 1.8 million Australians owned rental properties and claimed \$38 billion in deductions, so the ATO is reminding property investors to beware of common tax traps that can delay refunds or lead to an audit costing taxpayers time and money.

The most common mistake rental property and holiday homeowners make is neglecting to declare all their income, including failing to declare any capital gains from selling an investment property. The ATO receives rental income information from third party information from sources such as sharing economy platforms, rental bond authorities and property managers and will be stepping up it's monitoring of this information.

As always, tax payers are reminded to keep accurate records including receipts to justify their rental expense claims. It should also be noted any private drawdowns on loans taken out to purchase rental properties will need to be taken into account when determining the deductibility of interest.

Whilst the ATO may be forgiving if taxpayers make a genuine mistake; reckless behaviour may be penalised.

## The Business Portal has been Retired

The Business Portal was retired at the end of July 2021. It has been replaced with 'Online Services for Business'. Online Services for Business can be accessed on multiple devices, including a smart device like your phone or tablet. Online Services for Business offers a much wider range of features than the Business Portal.

To access Online Services for Business visit <https://onlineservices.ato.gov.au/business/> and use myGovID to log in. If you are new to ATO online services, you will need to set up your myGovID and link it to your business using Relationship Authorisation Manager. It is important to note that myGovID is completely different to myGov.