

HAS YOUR BUSINESS HAD ITS PRE-30 JUNE HEALTH CHECK?

We always take care of our personal health, but what about the health of our business? Knowing this topic is dry and boring, let’s add your favourite beverage – tea, coffee, water and get into the nuts and bolts of it.

June 30 is fast approaching and there is not much time left BUT didn’t the Honorary Joe Hockey (Federal Treasurer) tantalise our taste buds with some great incentives for small businesses to **“Grow AND reduce taxes”**.

Let’s look at some the areas that should be considered and really take advantage of these incentives.

Structure

Is your current set up still the best for you? If you are a sole trader, have you outgrown this? Company taxes are fixed at 30% at the moment, what are you paying? (From 1 July 2015 this will reduce to 28.5% for small businesses)

Do you know and understand the “ATO benchmarks”. These are set in place to monitor and target industries for review.

Superannuation

Are you aware that superannuation guarantee payments are only tax deductible to your business entity on physical payment (and receipt). June is an ideal time to pay your superannuation obligations up to date and with ample time for them to be received and processed.

There are also changes to superannuation reporting coming into effect from 1 July 2015 – are you super ready?

Capital assets

The Federal Budget has provided an “accelerated depreciation” incentive of $20,000 per item, yes, per item effective on assets purchased from 7.30pm 12th May 2015 until 30 June 2017. Take the time to consider the assets that require upgrading and look at doing that now and take advantage of this tax reprieve.

Bad Debts

If you know you will not be getting paid from a debtor or debtors, don’t carry the debt any longer and write it off.

Donations

Donations to registered entities are good methods to give back to local communities and to others with the advantage of tax deductibility (if they are registered recipients). Our favourite is NSW Variety, the Children’s Charity. Ask us for more information on how to support this great charity.

Supplies

Stock up on the supplies that do not expire. In particular, stationery (pens, paper, ink, etc); also items like toiletries, tea, coffee, etc.

Trading Stock

Perform a stock take. This helps determine the level of lost, damaged and obsolete stock and write these off. This will assist in reducing your taxable income.

Insurances

You may be covered, but are you covered from a tax beneficial perspective? These include Life, TPD, Income Protection, Professional Indemnity, Public Liability, Private Health Insurance.

Some of these are tax deductible to you, provided they are owned the right way. Others provide you with reducing liability benefits.

**Contact me today and ask for your Business Health Check.**