



H I S C O X
P A R T N E R S
“Chartered Tax Advisers”

Welcome to the December 2015 Newsletter

Christmas Parties

It's that time of year again, office Christmas party season! Love them or hate them, the office Christmas party has become an essential of the corporate calendar – and this time of year our accountants field questions left and right on what can be claimed tax-free.

Christmas functions costs include any associated travel and accommodation cost plus venue hire and hire of entertainers.

Keep costs to less than \$300 per head, to avoid FBT.

If Christmas parties are hold on the business premises on a work day, the \$300.00 per head limit does not apply.

Give gifts on a separate occasion, not at the Christmas Party so they are not associated with the party and become part of the entertainment benefit.

Generally tax deduction and no ability to claim GST input tax credits, but not FBT applicable.

Fuel Tax Credits

If you're claiming fuel tax credits on your September quarterly BAS, rates have increased for all fuels acquired from 1 August 2015 (in line with the consumer price index).

Our fuel tax credit calculator is the easiest way to get it right when working out how much to claim on your BAS. You can use the calculator through the ATO app or on our website.

ATO app

Use the ATO app to calculate your fuel tax credits while you're on the go. Just click into the calculator while you're connected to the internet to get the latest rates. Once you've done this you can use the calculator even if you're not connected to the internet.

Website

Our website's fuel tax credits calculator has even more functionality than the app. If you think you've made a mistake on a previous BAS, you can use this calculator to help you work out adjustments or corrections. The calculator will automatically apply the rates used at that time.

Use the fuel tax credit calculator for quick, accurate calculations on your next claim.

Check rates:

[From 1 July 2015](https://www.ato.gov.au/Business/Fuel-schemes/Fuel-tax-credits---business/Rates---business/From-1-July-2015/) (includes rates from 1 August 2015) (<https://www.ato.gov.au/Business/Fuel-schemes/Fuel-tax-credits---business/Rates---business/From-1-July-2015/>)

[1 July 2014 to 30 June 2015](https://www.ato.gov.au/Business/Fuel-schemes/Fuel-tax-credits---business/Rates---business/1-July-2014-to-30-June-2015/) (includes rates from 10 November 2014 and 2 February 2015) (<https://www.ato.gov.au/Business/Fuel-schemes/Fuel-tax-credits---business/Rates---business/1-July-2014-to-30-June-2015/>)

[1 July 2013 to 30 June 2014](https://www.ato.gov.au/Business/Fuel-schemes/Fuel-tax-credits---business/Rates---business/1-july-2013-to-30-june-2014/) (<https://www.ato.gov.au/Business/Fuel-schemes/Fuel-tax-credits---business/Rates---business/1-july-2013-to-30-june-2014/>)

[1 July 2012 to 30 June 2013](https://www.ato.gov.au/Business/Fuel-schemes/Fuel-tax-credits---business/Rates---business/1-july-2012-to-30-june-2013/) (<https://www.ato.gov.au/Business/Fuel-schemes/Fuel-tax-credits---business/Rates---business/1-july-2012-to-30-june-2013/>)

[1 July 2011 to 30 June 2012](https://www.ato.gov.au/Business/Fuel-schemes/Fuel-tax-credits---business/Rates---business/1-july-2011-to-30-june-2012/) (<https://www.ato.gov.au/Business/Fuel-schemes/Fuel-tax-credits---business/Rates---business/1-july-2011-to-30-june-2012/>)

These are likely to change again in Feb, so keep an eye out for the new rate.

SuperStream is here for small employers

SuperStream has now started for small businesses. If your business has 19 or fewer employees, it's time to get ready.

What is SuperStream?

SuperStream is making super contributions super simple. It changes the way you pay super for your employees. Before SuperStream, it was common to hear from employers about how difficult and time consuming it is to make multiple super contributions to multiple super funds in multiple ways. For a lot of employers, paying super took hours. SuperStream standardises this.



SuperStream is about linking electronic payments and reporting. Under SuperStream employers are able to pay super to multiple super funds in one transaction. This should reduce the time it takes to pay super to minutes and reduce payment processing costs.

You have up to 12 months to implement SuperStream. Don't leave it to the last minute – get started now.

How to get ready

There are some simple steps you can take to get ready.

If you have 19 or fewer employees or your aggregated business turnover is less than \$2 million you can use the Small Business Superannuation Clearing House.

Get started with the ATO's handy [step-by-step checklist](https://www.ato.gov.au/Super/SuperStream/In-detail/What-you-need-to-know/Employers/Employer-checklist---A-step-by-step-guide-to-preparing-for-SuperStream/?page=2#Employer_checklist/?SBnewsroomjan15). (https://www.ato.gov.au/Super/SuperStream/In-detail/What-you-need-to-know/Employers/Employer-checklist---A-step-by-step-guide-to-preparing-for-SuperStream/?page=2#Employer_checklist/?SBnewsroomjan15)

Find out more: [SuperStream – simplifying employer contributions](https://www.ato.gov.au/Super/SuperStream/In-detail/What-you-need-to-know/Employers/SuperStream--simplifying-employer-contributions/) (<https://www.ato.gov.au/Super/SuperStream/In-detail/What-you-need-to-know/Employers/SuperStream--simplifying-employer-contributions/>)

Considering buying a car for your business?

Small businesses can claim a deduction for individual assets that cost less than \$20,000.

The changes mean you can claim a deduction for:

- each asset costing less than \$20,000
- new and second hand assets
- assets acquired after 7.30pm on 12 May 2015
- assets acquired up until 30 June 2017, when the threshold will return to \$1,000.

The tax concession is only available if you use the car in running your business. Note that if you purchase a car in the business name and the car is used by any employees, you may have to pay fringe benefits tax (FBT).

What information do I need to keep?

Keeping a log book is the best way to prove that you are using the car to run your business, and can reduce the amount of FBT payable. You should detail all business travel for a period of at least 12 consecutive weeks showing:

- dates of travel
- odometer readings at the start and end of any trips
- the kilometres travelled, and
- the reason for the trip.

For FBT purposes you may also need to keep odometer readings at the start and end of each year, along with details of the operating costs for the car.

Things to keep in mind

Be aware that home-to-work travel is generally considered to be private travel.

Where a car is garaged at or near an employee's home, the ATO considers the car to be available for the employee to use, regardless of any actual private use.

Company directors are generally treated as employees. So if the company owns the car, and the directors use the car for private purposes, then FBT could also apply.

Find out more

[Accelerated depreciation for small business](https://www.ato.gov.au/General/New-legislation/In-detail/Direct-taxes/Income-tax-for-businesses/Small-Business---expanding-accelerated-depreciation/) (<https://www.ato.gov.au/General/New-legislation/In-detail/Direct-taxes/Income-tax-for-businesses/Small-Business---expanding-accelerated-depreciation/>)

[Car fringe benefits](https://www.ato.gov.au/General/Fringe-benefits-tax-(FBT)/Types-of-fringe-benefits/Car-fringe-benefits/) ([https://www.ato.gov.au/General/Fringe-benefits-tax-\(FBT\)/Types-of-fringe-benefits/Car-fringe-benefits/](https://www.ato.gov.au/General/Fringe-benefits-tax-(FBT)/Types-of-fringe-benefits/Car-fringe-benefits/))

Holiday Trading Hours

Our office will be closed from Friday the 18th of December 2015 and we will re-open for business at 8.30am Monday the 4th of January 2016.

We would like to take this opportunity to wish all of our clients a Merry Christmas and a safe and prosperous New Year. We look forward to seeing you all in 2016.

Warm Regards, Simon, Ben, Andrea, Luke, Nicola, Kahlia, Kristal, Kristy, Rebecca, Calin and Emily

