

MOTOR VEHICLE FRINGE BENEFITS STATUTORY FORMULA

Total Kilometres for the Year	Taxable Value as % of Cost
up to 15,000	26
15,000 - 24,999	20
25,000 - 40,000	11
over 40,000	7

ASIC FEES

A company must pay an annual review fee of \$218, or \$41 if a "special purpose company", eg acts solely as trustee for a superannuation fund. Discounts apply where fees are prepaid for 10 years.

Changes to directors, shareholders and addresses must be notified to ASIC within 28 days. Late payment and late lodgement fees are \$67 if less than one month late and \$278 if more than one month late.

SMALL BUSINESS ENTITY CONCESSIONS

A business taxpayer with an aggregated turnover of <\$2 million may be eligible for various tax concessions.

Some key features are:

- immediate write-off of assets costing <\$1,000 (\$5,000 from 1/7/2012) other assets with a life of <25 years can be pooled and depreciated at 30%.
- immediate deduction for prepayments of up to 12 months
- GST concessions including cash accounting, GST instalments
- small business tax concessions including the 15 year exemption, 50% active assets reduction, retirement exemption and the replacement asset rollover
- Entrepreneurs' tax offset if turnover <\$75,000.
- Exemption from car parking fringe benefit.

CAPITAL GAINS TAX

Taxed at marginal rates on the realised net capital gain.

When the asset has been owned for greater than 12 months, individuals will receive a 50% discount on the gain, superannuation funds receive a 33 and 1/3% discount on the gain. A range of other concessions may apply.

Capital losses are to be deducted from realised net capital gains before applying the discount.

STAMP DUTY (NSW) ON TRANSFER OF LAND OR BUSINESS

Dutiable Value \$	Duty Thereon \$	Duty Rate on Excess %
up to \$14,000	Nil	1.25%
\$14,001 - \$30,000	\$175	1.50%
\$30,001 - \$80,000	\$415	1.75%
\$80,001 - \$300,000	\$1,290	3.50%
\$300,001 - \$1,000,000	\$8,990	4.50%
over \$1,000,000	\$40,490	5.50%
over \$3,000,000*	\$150,490	7.00%

*residential properties only

LAND TAX (NSW) For the 2010 Land Tax Year

Land Value \$	Tax Thereon	Rate on Excess %
up to \$376,000	Nil	Nil
\$376,001 - \$2,299,000	\$100	1.6%
over \$2,299,000	\$30,868	2.0%

Certain unit trusts, special trusts and non-concessional companies do not get the tax free threshold.

PAYROLL TAX (NSW)

This is paid on annual wages (including super contributions) over \$638,000 to 30/6/2010 and \$658,000 from 1/7/2010. The rates are;

1/7/09 - 31/12/09	5.75%
1/1/10 - 30/6/10	5.65%
1/7/10 - 31/12/10	5.50%
from 1/1/11	5.45%



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- Estate/succession planning
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Knowledge is our Business.

2009/2010 RESIDENT INDIVIDUAL RATES

Taxable Income \$	Tax Payable \$	Rate on Excess
up to \$6,000	Nil	Nil
\$6,001 – \$35,000	Nil	15%
\$35,001 – \$80,000	\$4,350	30%
\$80,001 – \$180,000	\$17,850	38%
over \$180,000	\$55,850	45%

2010/2011 RESIDENT INDIVIDUAL RATES

Taxable Income \$	Tax Payable \$	Rate on Excess
up to \$6,000	Nil	Nil
\$6,001 – \$37,000	Nil	15%
\$37,001 – \$80,000	\$4,650	30%
\$80,001 – \$180,000	\$17,550	37%
over \$180,000	\$54,550	45%

Note: these do not include the Medicare Levy of 1.5%

MEDICARE LEVY

1.5% of taxable income (including reportable fringe benefits)
An extra 1% surcharge where taxable income > \$73,000 individuals (>\$146,000 for couples plus \$1,500 for each child) and no complying patient private hospital cover is held. 0% for non residents.

LOW INCOME TAX OFFSET (LITO)

This offset starts phasing out over \$30,000 income. If eligible, no tax is payable for incomes up to;

	LITO	Tax Free Threshold (Adult)	Tax Free Threshold (Child U'18)
2009/10	\$1,350	\$15,000	\$3,000
2010/11	\$1,500	\$16,000	\$3,333

SENIOR AUSTRALIANS TAX OFFSET (SATO)

If eligible for SATO (male age 65+, female age 63.5+), no tax is payable (when combined with LITO) for incomes up to;

	SATO	Singles	Member of Couple
2009/10	\$2,230/\$1,602	\$29,867	\$25,680
2010/11	\$2,230/\$1,602	\$30,685	\$26,680

MEDICAL EXPENSES TAX OFFSET

This is 20% of medical expenses (after reimbursements) that are over the threshold. The threshold is \$1,500 to 30/6/2010, and \$2,000 to 30/6/2011.

COMPANIES Tax of 30% applies to all taxable income.

SUPERANNUATION FUNDS

Tax of 15% applies to concessional contributions and taxable income.
Tax of 45% applies to non-complying funds. Tax free if in pension mode.

SUPERANNUATION CONTRIBUTIONS

Concessional Contributions Cap of \$25,000

Includes employer contributions (including contributions made under a salary sacrifice arrangement) and personal contributions claimed as a tax deduction by a self-employed person.
Members >50 can contribute double (\$50,000) up to 30/6/12. This continues beyond 1/7/2012 if super balance is below \$500,000.

Non-concessional Contributions Cap of \$150,000

Includes personal contributions for which you do not claim an income tax deduction. Members < 65 years can make non-concessional contributions of up to \$450,000 over a three year period in one lump sum.

ACCOUNT BASED PENSIONS (formerly allocated pensions)

Minimum Annual Pension Amounts

Age	Minimum Withdrawal	
	2009/10	2010/11
< 65	2%	4%
65-74	2.5%	5%
75-79	3%	6%
80-84	3.5%	7%
85-89	4.5%	9%
90-94	5.5%	11%
95 >	7%	14%

Pensions starting during the year are pro-rated. If starting on or after 1 June, then no minimum payment is required in the first year.

LUMP SUM PAYMENTS

Tax free from a "taxable component" when a condition of release is satisfied.

	Aged 55-59	Aged 60+
2009/2010	up to \$150,000	whole amount
2010/2011	up to \$160,000	whole amount

GOVERNMENT CO-CONTRIBUTIONS

Total Income \$	Calculation of Basic Co-contribution \$
up to \$31,920	\$1,000
\$31,921 - \$61,920	\$1,000 - [3.33% x (Total Income - \$31,920)]
over \$61,920	Nil

SUPERANNUATION GUARANTEE

Superannuation guarantee is 9% of ordinary times earnings, and is payable by the 28th day after the end of each quarter.
It is not compulsory where salaries and wages are less than \$450 per month, or more than \$40,170 (2009/10) or \$42,220 (2010/11) per quarter. Superannuation payments above the compulsory 9%, including salary sacrifice, are reportable contributions on an employee's payment summary.

MOTOR VEHICLES

Depreciation cost limit 2009/10 \$57,180 (max GST \$5,198) (GST inclusive)
2010/11 \$57,466 (max GST \$5,224)

Methods of substantiation

- Business Use > 5,000 km
- Log book method (odometer records + documentary evidence)
 - 1/3 total car expense (documentary evidence)
 - 12% of cost of motor vehicle
- Business Use < 5,000 km
- Log book method (odometer records + documentary evidence)
 - Set rate per business kilometre

Motor Vehicle per Km Rates 2009/10

Description	Engine Capacity	Rate (cents) per Kilometre
Small car	Up to 1600cc	63.0
Medium car	1601-2600cc	74.0
Large car	Over 2600cc	75.0

BENCHMARK INTEREST RATES

Division 7A to 30/6/10	5.75%
Fringe Benefit Tax to 31/3/10	5.85%
Fringe Benefit Tax to 31/3/11	6.65%