




Tax Time Update EOFY 2025



HOSTED BY
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Founder & Director




Tue 3rd June
12:30pm AEST



**In the spirit of reconciliation, HotDoc
acknowledges the Traditional Custodians of
country throughout Australia and their
connections to land, sea and community.**

**We pay our respect to their elders past and
present and extend that respect to all Aboriginal
and Torres Strait Islander peoples today.**

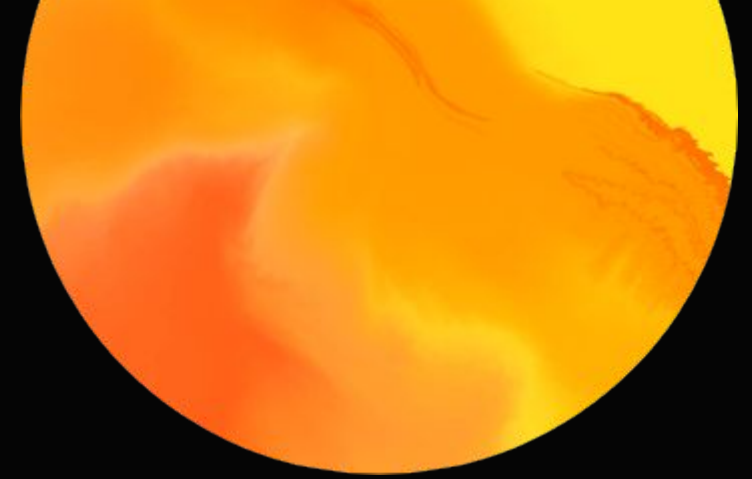
Before we begin -

- This session is being recorded & you will be sent a link 4-6 hours after this session has concluded with the recording & resources.
- Use the Q&A tool on your screen to submit a questions through the session & we will address at the end. If we don't get a chance to address during the LIVE session, we will reach out to you afterwards to discuss further.
- In the “related content” you'll find our further feedback form.
- Your certificate will be accessible at anytime, you can access via the  certificate icon on your console.
- Have a play around with the console/ icons on your screen, it's an interactive experience.
- Please take some time to complete our feedback survey to let us know what you thought of today's session.



Disclaimer

This webinar aims to provide information of interest . While every effort has been made to ensure accuracy, information contained may not be complete or may not be relevant to or appropriate for your circumstances. Attendees should not use the information without seeking professional advice specific to their circumstances. The information is not intended as specific legal, accounting, financial or tax advice. We are not liable to you or anyone else for decisions or actions resulting from placing reliance on the information contained in this webinar.



Today's Topics



Budget Recap

EOFY Basics

Instant Asset Write Off

Salary Packaging & EVs

ATO - Hot Focus Areas

Q & A

Tax Planning

Tax planning is 100% legal.

It is the process where you analyse your financial situation and arrange your affairs (within the legislation) to keep your tax at a minimum.

Great tax planning doesn't just happen. It involves:

- Long term focus
- Wealth > Tax Reduction
- Good advice from accountants and financial planners
- Effective structuring
- Often incorporates superannuation & investing



Budget Recap



- Instant Asset Write Off (\$20,000) extended to 30 June 2025
 - HECs/HELP debt reduction of 20%
 - Tax cuts from 1 July 2026
 - Increased ATO funding of \$1B
 - ATO interest deductions denied from 1 July 2025
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Make the
most of what
you have.

Don't miss your deductions!

- Home office expenses - 70c per hr
- Donations (check DGR status)
- Uniform & laundry - 50c to \$1 per load
- MV travel costs - 88c per km
- Accounting fees
- Income protection premiums
- Subscriptions or membership
- Work related expenses
- Education or professional development
- Personal superannuation contributions
- Rental property expenses



Superannuation

- Concessional Cap for 2025 is \$30,000
- Includes employer contributions, salary sacrifice and personal deductible contributions
- Must fill out a Notice of Intent form and lodge with the super fund to claim tax deductions
- If you are between 67-75 you must meet a work test, over 75 only super guarantee contributions can be made



Carried Forward Super

- Individuals with total super balances of under \$500,000 at 30 June 2024 are eligible
- 5 year rolling time period to utilise unused caps
- 2020FY unused balances are expiring in 2025



Example

- In the 2020FY, Peter (high earner, sole trader) contributed only \$5,000 in deductible super contributions
- The concessional cap in 2020FY was \$25,000. Peter's unused cap to be carried forward for 2020FY is therefore \$20,000
- In the 2025FY, Peter has some spare cash, and would like to maximise his tax deductions
- Peter can make up to \$50,000 in tax deductible super contributions in the 2025FY (\$30,000 current year + \$20,000 carried forward). Peter's tax saving in 2025FY is \$16,000



EOFY Basics - Business



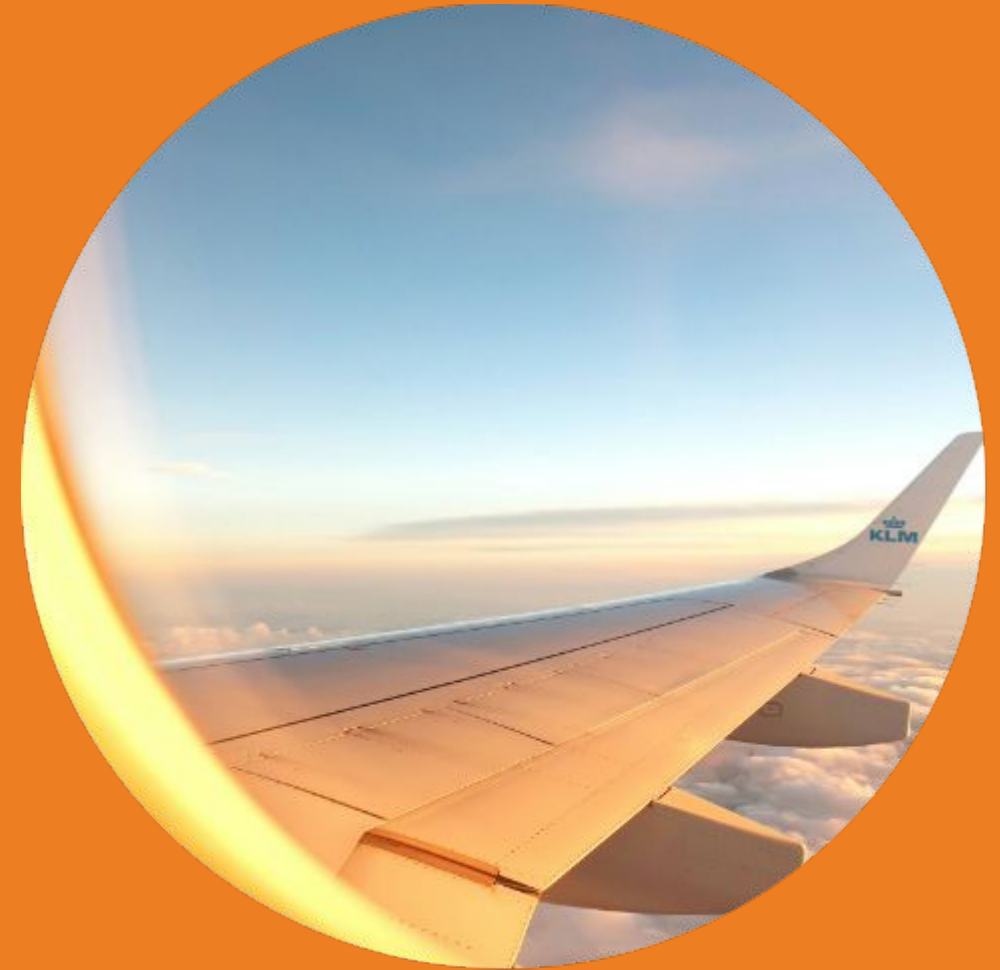
- Pay expenses before 30 June
 - Consider eligible prepayment items
 - Review debtors, process write offs
 - Stock count, review if saleable
 - Small gifts or employee bonuses
 - Superannuation (14th June in Xero)
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Prepayments

- Rent (particularly if related party)
- IT maintenance contracts
- Interest
- Subscriptions
- Accounting fees

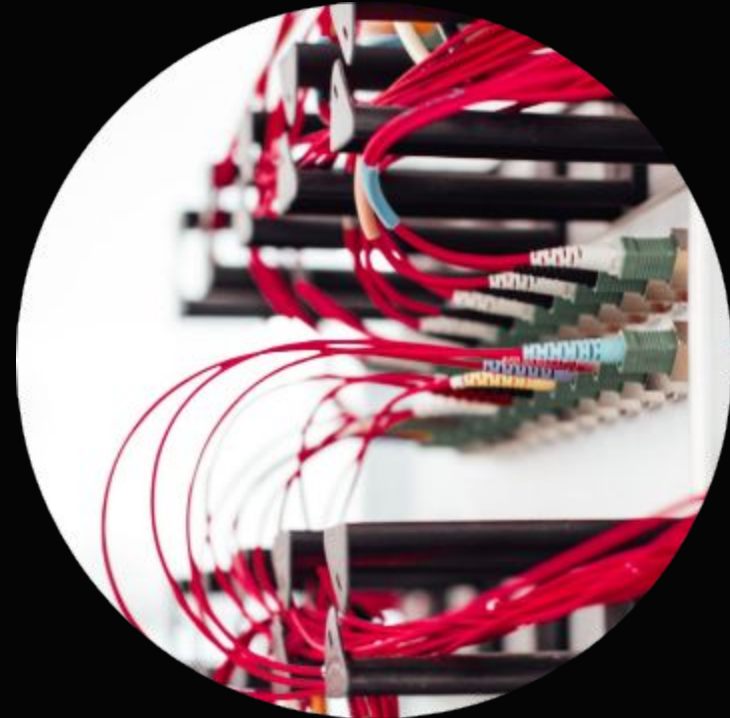
General Expense Payments

- Uniforms
- Flights, conferences, travel
- Donations (check for DGR status)
- Insurances
- FBT free items for employees



Assets

- \$20,000 Instant Write Off until 30 June 2025
- Assets must be held / in-use to be deductible
- Applies to entities with aggregated turnover under \$10M
- Immediate write off v normal depreciation is a timing difference



Electric Vehicles



- Eligible EVs are exempt from Fringe Benefits Tax (FBT)
 - FBT is a tax on employer-provided non-cash benefits
 - Eligible vehicles are now only electric battery or hydrogen fuel cell vehicles
 - Car must be under LCT threshold (\$91,387 inc GST in 25 & 26FY)
 - Must be used by employee, director or associate
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Example

- Megan is a General Practice Business/Ops Manager on a salary of \$100,000 + super per annum
- Lucy, the Business Owner, flags Megan is essential to the business and wants to look at other ways to retain her, without necessarily increasing her wage
- Lucy knows Megan is interested in buying a new car (100% private use) soon and would like to offer a salary packaging benefit
- Megan leases a Kia EV3 for \$60,000 including GST, financed over 5 years and enters into a salary packaging arrangement (novated lease)



Salary Packaging



	NO SALARY PACKAGING	SALARY PACKAGING
Megan's Original Salary	\$100,000	\$100,000
LESS MV Repayments & Running Costs paid for Megan's benefit	\$0	(\$13,600)
Cash Salary (pre-tax)	\$100,000	\$86,400
LESS PAYG Withholding	(\$22,828)	(\$18,460)
Net Pay to Megan	\$77,172	\$67,940
LESS MV Costs Paid	(\$13,600)	\$0
NET REMUNERATION IN MEGAN'S HANDS	\$63,572	\$67,940
Extra cash for Megan		\$4,368
Extra cost to employer		\$0

Salary Packaging EVs

- Employee enters into a lease agreement with the bank/financier
- Employee and employer enter into a salary sacrifice arrangement
- Under the arrangement, the employer makes repayments from the employees pre-tax salary
- Lease repayments and GST are deductible to the employer
- The vehicle and the lease remain with the employee if they leave employment



- Work-Related Expenses - claims that are higher than the industry average
- Non-Commercial Income - holiday homes
- Rental property claims
- Share & crypto sales - data matching
- GST registrations - where not eligible
- Interest deductions
- Loans to shareholders (Div7A)
- Trust distributions (S100A)
- Professional firm profits (PCG 2021/4)

ATO Focus Areas



Reminders

- Super not deductible until paid and received by fund - pay early
- Super guarantee going up to 12% from 1 July
- Single Touch Payroll Finalisation due by 14 July
- Payday super coming in from 1 July 2026



Tax Time Guides

www.growth-md.com







What We Know About Chronic Conditions Management (CCM)

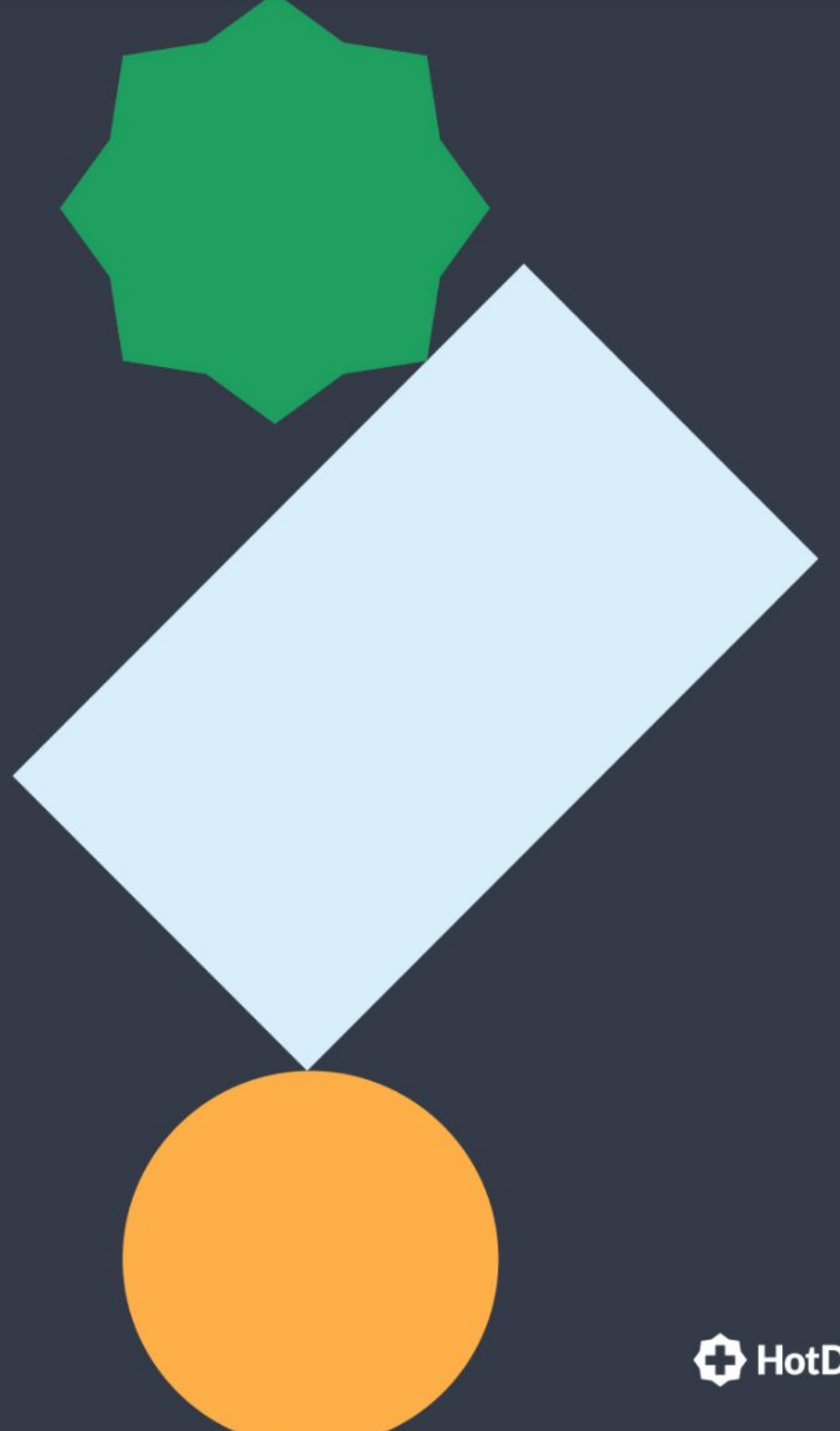


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Wed 25th June
12:30pm AEST



Questions



Thank you
for watching

