



Newsletter, July 2020

Practice Update

Wow, what an interesting time it has been. Coronavirus initially created a lot of anxiety for a lot of business owners but fortunately things have gone better than expected and businesses are trying to return to normal. Our workload dramatically increased as we spent a lot of time assisting with various coronavirus issues (JobKeeper, Cash Flow Boost, state government grants, rent reductions, etc).

The ATO waived the 85% on-time lodgement requirement for tax agents and applied lodgement concessions for 2019 tax returns until to 30 June 2020 in recognition of the additional workload. The ATO have chosen not to provide blanket deferrals beyond this, as requested by the professional accounting bodies, so accountants have to request deferrals and any penalty remission on a case-by-case basis creating additional unnecessary work. It is expected that penalties will not be applied to any tax returns lodged late.

STP finalisation (no more payment summaries)

When you report and lodge a finalisation declaration under STP, you are exempt from lodging a payment summary annual report and providing payment summaries to your employees (employees can access their year-to-date and end-of-year income statements through myGov or their tax agent). This link can be sent to employees to explain the changes: <https://www.ato.gov.au/Business/Bus/The-way-you-get-your-payment-summary-is-changing/>

STP deferral for closely held (related party) employees

There is an exemption for small employers (<19 employees) from reporting closely held employees through STP which has been extended until 1 July 2021. A year end payment summary annual report and payment summary must still be lodged for 2020 & 2021. A business with only closely held employees may be eligible for a concession to lodge this report by the due date of their tax return.

Monthly JobKeeper lodgements

A monthly declaration must be made by the 14th of each month before a payment is made for the previous month. The declaration requires the actual income from the previous month and an estimate for the next month be provided. Businesses that haven't previously been eligible to register for JobKeeper have until the end of each month to enrol for that month.

Lodgement Dates

The June quarter has now ended so you should be aware of the following dates:

- 14 July 2020 STP finalisation declaration due (>20 employees)
- 28 July 2020 June quarter superannuation payment due
- 28 July 2020 June quarter BAS due
- 31 July 2020 STP finalisation declaration due (<20 employees)
- 31 July 2020 Land tax holding declarations due (SA)
- 14 August 2020 Annual payroll tax reconciliation due (SA)
- 28 August 2020 Taxable payment annual report due
- 15 September 2020 Annual ReturnToWork reconciliation due (SA)

Did you know that if your Tax Agent lodges your quarterly BAS electronically, you get a four week electronic lodgement and payment concession? This means that the June quarter BAS is due for lodgement and payment by 25 August 2020. Please contact me if I can be of assistance.

Kind regards, Nick