

**Newsletter, July 2011****Practice Update**

It has been a busy end to the 2011 financial year and a fast and exciting start to the new financial year. I am pleased how the last year has gone and I look forward to the excitement and challenges ahead.

I am now sharing my office with a solicitor, Evan Richards, who specialises in commercial matters, estate planning (including wills) and referring clients to the right solicitor in other situations. We have the opportunity to effectively work together on various client projects such as business acquisitions/sales.

My partner Hayley, who also happens to be a solicitor, is going to Phnom Penh in Cambodia for five months from mid August. She will be interning for the United Nations in the Extraordinary Chambers of the Courts of Cambodia dealing with crimes against humanity. Hayley will be working in the prosecution team in the Khmer Rouge trials. I will attempt to not become a workaholic and retain some balance in my life while she is away!

2011 PAYG Payment Summaries

Please remember that compulsory employer super contributions are not reportable superannuation contributions and do not get reported on PAYG payment summaries. The ATO has advised that this created a lot of confusion last year and many employers incorrectly reported these amounts and were subsequently required to issue amended PAYG payment summaries.

The due date for the PAYG withholding payment summary annual report for businesses that have a tax agent help prepare the report is extended from 14 August 2011 to 30 September 2011. If a business has only closely held payees (related employees) and their tax agent helps prepare their report, they may be eligible for a concession to lodge this report by the due date of their income tax return.

Private health insurance

If your taxable income is more than \$77,000 as a single person or \$154,000 as a couple then you can end up paying a minimum of \$770 in extra tax if you don't have private health insurance cover. The Medicare levy surcharge is assessed at 1% of your taxable income when you exceed these amounts and you do not have hospital cover. You should consider what your taxable income will be this financial year and you may want to consider taking out an appropriate level of private patient hospital cover if you want to avoid paying the surcharge at year end. You may be able to get a basic policy for less than the surcharge.

Lodgement Dates

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

- 14 July 2011 PAYG payment summaries due to be given to employees
- 21 July 2011 Annual payroll tax reconciliation due
- 28 July 2011 June quarter superannuation payment due
- 28 July 2011 June quarter BAS due
- 31 July 2011 Annual WorkCover reconciliation due
- 14 August 2011 PAYG withholding payment summary annual report due

Did you know that if your Tax Agent lodges your quarterly business activity statements (BAS) electronically, you get a four week electronic lodgment and payment concession? This means that the June quarter BAS is due for lodgment and payment by 25 August 2011.

Kind regards, Nick