

Newsletter, December 2020

Practice Update

The last nine months have been crazy!

Accountants have had a lot of extra work to do assisting businesses with coronavirus issues. Tax returns have been delayed to prioritise work with critical dates and impacts. It has been very difficult to plan our workflow which constantly changes with new government announcements that require new work to be done. We have had to push "normal" work down the list so we have not been able to complete tax returns as quickly as we would like. We would like to thank everyone for both their support and patience.



The ATO provided blanket lodgement deferrals to 30 June 2020 for all 2019 tax returns then required accountants to apply for client specific deferrals past that date. The SMSF statistics suggest that only 84% of 2019 SMSF tax returns have been lodged so it's already expected that more deferrals will be given to 2020 tax returns. Our aim is to have all 2020 tax returns completed before June 2021, i.e. be back to normal where no deferrals are needed!

Of the businesses that we managed JobKeeper for, over 75% dropped off the system in October which was great for both the businesses and freeing up our time.

We would like to wish everyone a very happy Christmas and New Year and we hope that everyone enjoys a regular summer break and gets to spend more time with their families.

Other than all the payroll tax reductions, the state budgets have provided a few other business incentives.

SA State Budget

Businesses eligible for the JobKeeper extension were also provided with additional grants:

- \$10,000 for eligible businesses that employ staff; or
 - \$3,000 for eligible businesses that do not employ staff (but operate from a commercial business).
- One of the key eligibility criteria is that the business must have a turnover over \$75,000.

<https://www.treasury.sa.gov.au/Growing-South-Australia/COVID-19/Small-Business-Grants-Round-2>

NSW State Budget

A \$1,500 digital voucher for the cost of government fees and charges for businesses who do not pay payroll tax was announced but further details have not yet been provided.

<http://budget.nsw.gov.au/budget-detail/making-it-easier-run-business>

Victoria State Budget

A \$1,200 reimbursement for adopting digital products and tools (there are currently only six suppliers that include MYOB & Xero).

Additional grants were provided to businesses in specific industries that had to stay closed or operated under restrictions.

From 1 January 2021, a 50% stamp duty concession will apply to any contracts for commercial or industrial property in regional Victoria.

<https://www.business.vic.gov.au/support-for-your-business/grants-and-assistance/business-resilience-package>

JobMaker

Businesses no longer eligible for JobKeeper can register any new employee for JobMaker who:

- is employed between 7 October 2020 and 7 October 2021;
- is aged 16 to 35 on the date of employment;
- received Parenting Payment, Youth Allowance or JobSeeker (for at least two consecutive fortnights in the six fortnights prior to starting employment).

If the employee is paid a minimum twenty hours per week then the employer will receive either \$200 a week (for employees aged 16 to 29) or \$100 a week (for employees aged 30 to 35).

The total number of employees and payroll cost must have increased from 30 September.

You can register any time from December 6 but cannot claim until February 1 (after the first three month period, being October 7 to January 6).

<https://www.ato.gov.au/General/JobMaker-Hiring-Credit/>

Lodgement Dates

The end of the December quarter may easily be forgotten over the Christmas period so you should be aware of the following dates:

- 28 January 2021 December monthly JobKeeper declaration due (extended from January 14).
- 28 January 2021 December quarter superannuation payment due
- 31 January 2021 JobKeeper extension 2 enrolment (and top-up payments for January due)
- 1 March 2021 December quarter BAS due

Did you know that if your Tax Agent lodges your quarterly BAS electronically, you get a four week electronic lodgement and payment concession? This isn't available for the December BAS as the normal due date is extended by four weeks after the Christmas period for everyone.

Kind regards,
Nick

