

WESTERNBD NEWS

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TAX TIPS

Planning for next year's tax starts now!

Most of us think that planning for tax is making sure we have enough money in the bank to pay the tax bill – or deciding to spend the refund on the house insurance or paying off the credit card. It should be much more than that. Good tax planning now can ensure a worry-free tax future.

Things to consider include:

- Is your corporate structure able to offer you the best tax advantages? The new individual tax rates might make it beneficial to distribute more company income to individuals. Can your partnership income be distributed to a trust or company?
- Are your beneficiaries up-to-date? Is your current plan still what you want?
- Can your stock be re-valued for maximum tax benefits?
- How would your business cope if you had to leave suddenly? Do you have an 'exit' strategy or are you relying upon immortality to get your business through tough times?
- Have you taken maximum advantage of the Federal Government's superannuation plans?
- Would you prefer to pay tax instalments throughout the year – avoiding a tax bill and even getting a refund?

There are many options available to ensure that you pay the right amount of tax – not too much, not too little. If our accountants haven't already called you and organized a meeting to plan for tax – you should call us.

Another great way to plan for your tax is to plan your accounting requirements through our Fixed Price Agreements (FPA). This year-round service provides ongoing accountancy and tax assistance as well as your own on-the-spot tax advisor. FPA's mean no end-of-financial-year surprises – whether they be tax or accountancy bills.

Western BD has Gold, Silver and Bronze FPA packages and in 2007/2008 we will offer a Platinum FPA for advanced business planning and development.

SEMINAR-UPCOMING Watch this space for news of our Tax Planning Seminar

Sundowner for Western BD &
ID Conroy Pty Ltd clients
Tuesday 26th June 2007
4:00 pm

**Gourmet Barbeque & other
refreshments provided**

T: 9456 3303 or

email: admin@westernbd.com.au

No Charge

This week brought news of the latest Australian Government budget. What's in it for us?

Probably the biggest topic remains superannuation. The Future Fund promises to secure the Government's future superannuation liability and reflects the major push to get all of us to invest in super funds. Have you maximised your opportunities yet? And don't forget to ensure you are paying correct and on-time super instalments for all employees.

The other big topics include:

* Tax cuts – always welcome – with the biggest winners being those who earn up to \$80,000 and the next threshold increase of \$180,000

* Senior couples with a high percentage of investment income available are also going to be better off – another reason to look at your super contributions.

* Increased child care rebates and earlier payment – you no longer have to wait 18 months to get your rebate.

* 'Realising our Potential' is set to put more support into Vocational Education & Training (VET) with apprentices being given extra funds.

The Budget predicts a bright economic future – which is good news all around.

Here's to the future

Rod Western

Can You Claim Fuel Tax Credits?

If your business uses a vehicle of 4.5 tonne or bigger, you may be able to claim fuel tax credits for each litre of petrol or diesel bought. Of course, there are some rules to follow, but basically if you drive a truck or bus on the road, each litre used can get you 18.51 cents rebate.

Off road use of the same vehicle can get you 38.143 cents per litre rebate. (The government charges 19.633 cents per kilometer road user charge.)

Let's say you have a furniture delivery business, own a five tonne diesel truck and purchase 3,000 litres of diesel or petrol for the truck. The amount of fuel tax credit claimable is 3,000 litres x 18.51 cents per litre = \$555. This amount is claimed on your BAS.

If you think you may be eligible for fuel tax credits, or want to find out if you are, call Western BD for further information.

Factoring Accounts

In our November 2006 Newsletter, Dan Jones introduced you to factoring accounts. A growing number of clients considering this form of debt management – but do remember – factoring accounts should be used to 'grow' your business – not prop them up.

Ask Rod for further information.

Fringe Benefits Tax

The Fringe Benefits Tax (FBT) year closed on 31st March 2007. Last date to lodge a return is 21st May 2007.

Are you ready to report? Is your travel log book still current? They expire every five years. What about other benefits to employees – health benefits, a loan, telephone calls, Christmas Party extravagance? Are there any exempt benefits you may give to employees? Did you know that if you do pay FBT, you may be able to claim it as a deduction?

Call Western BD to make sure that your business is still complying with FBT regulations.

NEW FACES AT WESTERN BD

LAUREN MATHEWS, A CURTIN UNIVERSITY COMMERCE STUDENT, WORKS WITH WESTERN BD ONE DAY PER WEEK DURING SEMESTERS AND AS MUCH AS WE CAN GET HER DURING TERM BREAKS. LAUREN IS A VERY VALUABLE TEAM MEMBER – UNDERTAKING ACCOUNTING AND ADMINISTRATION WORK.

KATHY CROWFORD JOINED US IN MARCH AND ASSISTS JAYNE WITH RECEPTION AND ADMINISTRATION. KATHY COMES TO US HIGHLY RECOMMENDED AS SHE WORKED PREVIOUSLY WITH PAUL GOUGH AND DAN JONES. KATHY HAS ALSO FITTED INTO THE WESTERN BD TEAM AND IS NOW INDISPENSABLE.

WELCOME TO YOU BOTH.