

Welcome

Welcome to our first newsletter.

It is with great pleasure and excitement that we at this time also introduce you to the bTa Vantage website - www.btavantage.com.au

We would like to thank those that have assisted us in the past months in formulating this site. In particular those of you who have provided testimonials to our service. Our commitment to you and all our clients is expressed in the pages of the website. Please take some time to explore and experience the bTa difference of which you are a part.

The regular newsletters that we will be providing are for you and about you and will provide details of lodgements and articles of interest. If there is a particular area of tax, business, or accounting you wish us to research or comment on please contact us. If you wish to have newsletters emailed to you please advise so we can add your details to our database.

The bTa difference – providing your point of view.

Warmest Regards

The bTa team

Reminder of Lodgement Dates

21 Oct 2008 Annual PAYG Instalment Notice
28 Oct 2008 Quarterly Instalment Notice
31 Oct 2008 ITR 08 *
25 Nov 2008 Business Activity Statement

* for those whose prior year ITR's were outstanding at 30 June 2008

Tax Office Looks to the Future

The Commissioner for Taxation, Michael D'Ascenzo outlined the challenges at the recent International Conference on Tax Administration.



Issues raised by the Commissioner include:

Emissions Trading

The Tax Office is focusing on the proposed Australian Emissions Trading Scheme. This includes assisting in the design of the scheme, and identifying any possible tax or compliance issues associated with the scheme.

Measuring the Effectiveness of the ATO

The Tax Office is looking towards improved methods of measuring their effectiveness, suggesting that traditional measures, while providing useful information, may not give a full picture of the Tax Office's effectiveness.

Workforce Planning

The Tax Office is currently applying futurist methodologies to assist in managing and planning its workforce for future years.

International Tax

The Tax Office will be increasing the use of sophisticated analytical tools in examining the use of tax havens. The growing trend of globalisation will also require greater levels of international cooperation.

Policy Development

The Tax Office continues to work closely with the Treasury in advising the Government on tax and superannuation policy matters, providing more rigorous and comprehensive advice on future policy proposals.

Entering and Leaving the Simplified Tax System



The Simplified Tax System (STS) is an alternative method of calculating the taxable income of small businesses.

To be eligible to enter the STS, the business must satisfy the following:

- the entity must be carrying on a business in that year of income; and
- the entity must have an STS average turnover for itself and any related business of less than \$2m.

Once eligible, a taxpayer may elect to become an STS taxpayer by completing the STS election boxes on their tax return for the year they choose to enter the STS.

The taxpayer will remain in the Simplified Tax System until:

- the entity no longer satisfies the eligibility criteria;
- or
- the taxpayer elects to leave the STS

A taxpayer who elects to leave the STS is unable to re-enter the STS until 5 years after they elected to leave the STS.

However, a taxpayer who ceases to be in the STS due to failing the criteria will become eligible for re-entry as soon as they meet the criteria again.

New Government Outlines Super Priorities

The Minister for Superannuation, Nick Sherry, commented on the priorities at a recent conference for the industry.



Priority policy areas include:

- tax free superannuation lump sum payments for the terminally ill
- the level of lost superannuation
- simplification of product disclosure statements
- the first home savers accounts
- governance of the Self Managed Superannuation Fund (SMSF) industry
- the level of financial literacy among the community

Government Establishes National Rental Affordability Scheme



Under the scheme, investors will receive tax credits of \$6,000 per year for ten years for new properties that are rented at 20% below the market rental level.

In addition, States and territories have agreed to provide \$2,000 per home, either through cash payments or through the provision of cut price land or concessions on stamp duty.

The government will also be investing up to \$30 million to streamline the development application approvals processes.

Prime Minister Kevin Rudd said the measures reflect the severity of the housing affordability problem in Australia.