



CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND



GREENTAYLOR
PARTNERS

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Quarterly Newsletter

Green Taylor Partners



This edition

- ❖ JobMaker Hiring Credit *PAGE 2*
- ❖ Instant Write Off vs Temporary Full Expensing *PAGE 3*
- ❖ Superior Customer Service Is Always Desirable *PAGE 3*
- ❖ Full Expensing of Depreciable Assets *PAGE 4*
- ❖ Changes to Single Touch Payroll from 1 July 2021 *PAGE 4*
- ❖ Fringe Benefits Tax *PAGE 4*
- ❖ The Five Minute Stress Buster *PAGE 5*
- ❖ What is common property depreciation? *PAGE 5*
- ❖ Dual Cab Utes – the ATO is on the lookout *PAGE 6*
- ❖ Why feeling connected makes us feel good *PAGE 7*

Also in this issue

- ❖ *GTP Anniversaries*
- ❖ *GTP Birthdays*
- ❖ *Important Dates*

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JobMaker Hiring Credit

Natasha Gardner

The JobMaker Hiring Credit scheme is an incentive for businesses to employ additional young job seekers aged 16–35 years.

Eligible employers can access the JobMaker Hiring Credit for each eligible additional employee they hire between 7 October 2020 and 6 October 2021.

Payment Rates

Through the JobMaker Hiring Credit scheme, eligible employers may receive payments of up to:

- ❖ \$200 a week – for each eligible additional employee aged 16 to 29 years old inclusive.
- ❖ \$100 a week – for each eligible additional employee aged 30 to 35 years old inclusive.

The employee's age will be based on the date they commenced employment with the employer.

Payments will be made in arrears following each JobMaker period.

There are several criteria that must be met:

1. You must be an "Eligible Employer".
2. You have employed an additional young job seeker who is an "Eligible Employee":
 - a. Age 16 – 35 years
 - b. Hours worked at least 20 hours per week
 - c. Hired between 7 October 2020 and 6 October 2021
 - d. Was receiving government support payments prior to being employed (job seeker, youth allowance)

What is an Eligible Employer?

Employers may be eligible for JobMaker Hiring Credit payments if all the following apply.

- ❖ has registered for the JobMaker Hiring Credit scheme
- ❖ either
 - operates a business in Australia
 - is a not-for-profit organisation operating in Australia
 - is a deductible gift recipient (DGR) endorsed either as a public fund or for a public fund you operated under the Overseas Aid Gift Deductibility Scheme (DGR item 9.1.1) or for developed country relief (DGR item 9.1.2)

- ❖ holds an Australian Business Number (ABN)
- ❖ is registered for pay as you go (PAYG) withholding
- ❖ has not claimed JobKeeper payments for a fortnight that started during the JobMaker period
- ❖ is up to date with income tax and GST returns for the two years up to the end of the JobMaker period for which they are claiming
- ❖ satisfies the payroll increase and the headcount increase conditions
- ❖ satisfies reporting requirements, including up to date Single Touch Payroll (STP) reporting
- ❖ does not belong to one of the ineligible employer categories.

Who is an Eligible Employee?

Employees are eligible if they:

- ❖ are an employee of the entity during the JobMaker period
- ❖ are aged 16–35 years old when they started employment
- ❖ started employment on or after 7 October 2020 and before 7 October 2021
- ❖ worked or have been paid for an average of at least 20 hours per week they were employed in the JobMaker period
- ❖ have completed a JobMaker Hiring Credit employee notice for the employer
- ❖ have not already provided a JobMaker Hiring Credit employee notice to another current employer
- ❖ received one of these payments for at least 28 consecutive days (or 2 fortnights) in the 84 days (or 6 fortnights) prior to starting employment
 - JobSeeker Payment
 - Parenting Payment
 - Youth Allowance (except if they were receiving the allowance because they were undertaking full-time study or are a new apprentice).

How do I register?

Businesses with an active ABN can access the registration on ATO online services or the Business Portal, alternatively contact your accountant who can apply on your behalf.

Eligible employers can register for the JobMaker Hiring Credit scheme from 6 December 2020.

To complete their registration for the JobMaker Hiring Credit, employers must provide their:

- ❖ baseline headcount
- ❖ baseline payroll amount
- ❖ contact details

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



Instant Write Off vs Temporary Full Expensing

Rohan Brown

Many small businesses are used to the Instant Write Off (IWO), which formerly used to be \$1,000 and over the years increased through Federal Budgets and then the Covid-19 announcement to \$150,000. But this is very different to the Temporary Full Expensing (TFE) rules introduced in the Budget on 6th October 2020.

Under IWO, if the asset is disposed of, the sale value results in a taxable profit equal to the sale value without any direct method of offsetting against a replacement asset. Therefore, for items that retain high resale value and there is an intention to upgrade in future this can be a negative as far as tax is concerned.

The TFE on the other hand for Small Business Entities (SBE) results in the asset being contributed into the SBE Asset Pool and then the Pool being fully expensed. Therefore, in future, if the asset is disposed of those proceeds are offset against replacement assets. Tax will only be applicable should the Pool value be less than zero, for example where no other assets are acquired.

The downside to IWO is only going to affect businesses after the TFE is removed from 30 June 2022, when all these rules are set to finish and normal depreciation rules apply again. Before then, the profits will be offset against the deduction for newly acquired plant items.



Superior Customer Service Is Always Desirable

David Hadley

Today's marketplace operates at breakneck speeds. In almost every segment, a customer can have a change of heart and a new priority overnight. Keeping pace with technology, innovation, competition and fulfilling customers desires can leave a business owner breathless.

However, one thing that will never change is a customer's desire for excellent product and excellent service. Achieving and managing excellence throughout your entire organization will give you a leg up in the race for customers.

This can be challenging when your relationships with vendors, distributors, employees and suppliers can change as quickly. Small businesses typically have limited resources and can often get swept out of the marketplace because of rapid changes in technology and customer tastes. A commitment to excellence is the great equalizer between small and big companies.

In fact, smaller companies are often better at achieving excellence because there is less bureaucracy, better teamwork and more personal contact with customers throughout the organization's hierarchy.

Consider your business for a moment. Do you have an explicit commitment to quality and customer satisfaction? Is it written down and expressed to your entire organization? Do you have clear processes and systems for handling customer complaints?

Similarly, is there a way for customers to give you feedback? Do you encourage customer suggestion? Does your entire team share an enthusiastic and genuine commitment to delivering an excellent product and superior customer service? Does your team consider it the number one priority?

It's very likely your team probably has scores of ideas on how to improve customer service in these areas. Encouraging their ideas and input is a great way to motivate them and often produces low-cost enhancements to your business.



Important Dates

- ❖ **21st March** – February Monthly BAS due for lodgement and Payment
- ❖ **21st April** – March Monthly BAS due for lodgement and payment
- ❖ **21st April** – March Quarter PAYG IAS due for lodgement and payment
- ❖ **28th April** – March Quarterly BAS due for lodgement and payment
- ❖ **15th May** – Due date for lodgement of all tax returns not already lodged
- ❖ **21st May** – April Monthly BAS due for lodgement and payment



GTP Birthdays

- ❖ 21st March – Daniel Blay
- ❖ 30th March – Kerry Schultz
- ❖ 23rd April – Jodie Mills
- ❖ 30th May - Penny Fisher



Full Expensing of Depreciable Assets

Ryan Schirmer

Remember before COVID when you could go to a restaurant and didn't need to scan in or when the depreciation rules were relatively simple? The purchase of plant & equipment (P&E) was either written off or allocated to the Small Business Pool (or depreciated over its useful life for those not in SBE).

Since the 12th of March 2020, we have seen some dramatic changes to the rules; from an increase of the Instant Asset Write Off, 50% upfront deductions and now the Temporary Full Expensing of Assets.

The Temporary Full Expensing of Assets has been the more confusing change, so hopefully, the following will clear up what it is and what isn't covered.

What qualifies for the full expensing? For businesses with turnover of less than \$50 million; all new & 2nd hand assets installed & ready for use by the 30th of June 2022. For entities with greater than \$50 million turnover, only new assets will qualify.

What happens to my Small Business Pool? The SBE pool will be fully written off & claimed as a deduction on the 30th of June 2021 and on 30th of June 2022.

Can I choose not to use the full expensing? You can elect not to use the full expensing on the purchase of P&E. However; these assets will not qualify for any accelerated depreciation (won't be allocated to SBE pools). These assets will be depreciated over their useful life.

If my business buys a new car, can I use the full expensing? You can use the full expensing on the purchase of motor vehicles, only up to the motor vehicle depreciation threshold of \$59,136. So if the vehicle costs \$75,000, the claim under the full expensing will be \$59,136.



Changes to Single Touch Payroll from 1 July 2021

Shane Bryan

From 1 July 2021 Single Touch Payroll (STP) reporting concessions currently in place for small and micro employers will come to an end.

- ❖ Small employers are those with 19 or fewer employees.
- ❖ Micro employers are those with 4 or fewer employees.

The changes coming into effect include:

- ❖ **Micro employers quarterly lodgement concession ends**

Micro employers who are currently reporting wage information through their Tax or BAS Agent on a quarterly basis will need to begin lodging their payroll information on or before pay events occur.

From 1 July 2021 the quarterly concession will need to be applied for, and will only be available to micro employers who the ATO deem to be experiencing 'exceptional circumstances'.

- ❖ **Closely held payees exemption ends**

Small employers with 19 or less employees will need to begin reporting closely held payees through STP.

Closely held payees are individuals who are directly related to the employer. This includes family members, directors and shareholders of companies and beneficiaries of trusts.

Currently these payments are not required to be lodged through STP.

If these concessions apply to you, contact your Accountant to discuss your options moving forward.

Farewell Shane Bryan

We say farewell to Shane as he embarks on a new business venture. We thank him for his 10+ years of service to the Green Taylor Partners team, and we wish him well for the future.



Fringe Benefits Tax (FBT)

The 31st March 2021 marks the end of the FBT year. Soon we will be sending correspondence to clients of whom we are aware that FBT may apply to.

We will also be looking for copies of any new car tax invoices for cars acquired in your business between the period 01/04/2020 - 31/03/2021.



GTP Anniversaries

- ❖ 5th March – Penny Fisher (20 years)
- ❖ 12th April – Natasha Gardner (19 years)
- ❖ 5th May – Hannah McIlree (7 years)



The Five Minute Stress Buster
Ross Laycock

Stop. Breathe. Reflect.

So, now you've interfered with the automatic stress response, you should be able to focus on the real problem without the distractions of exaggerated worries. Reflect on the causes of your worry and consider these questions:

- What is the emotional 'hook' that sets my stress reaction going? Am I exaggerating the threat?
- Why do I leap to the most awful conclusions? What is the specific problem in this case?

Understanding the source of stress takes more than a quick moment of thought, but if you've been working on the issue, you'll be able to apply your understanding to the particular stressful moment. The next step is to choose how to deal with the situation.

Consider each available option, and then choose the one that best fulfils your goals. Ask yourself:

- What is my real goal here?
- What is the best solution to the problem?
- Do I have the skills and tools to achieve the best solution?
- What can I do right now? Later today? Tomorrow?

Once you've made your decision, then you can act on it with clarity.

GTP Sudoku

2			3		6			
6		5	9			4		8
						5		2
4		9		6	3			
			8			7		1
		1		4			9	
1		6	2	7				
	2					8		4
		4		1	8			7



What is common property depreciation?

BMT Insiders

Property rental rates and values can change, and this is particularly evident for units and other types of strata complexes.

One thing that remains constant is the tax deductions rental properties provide to their investor owners. An added benefit is the lucrative common property depreciation deductions strata investors can claim.

What is common property?

When you own a property that's part of a strata title, such as a townhouse or unit development, paying strata fees is part of the parcel.

These fees cover a range of things depending on the building. This can include insurances, maintenance, council rates and shared facilities maintained and funded by the body corporate. As an investor, you can claim the strata fees as a tax deduction.

Another factor to consider is the depreciation you can claim. Not only can you claim depreciation for the actual property you own, but you are also eligible to claim a partial deduction on the common property assets. These are your common property deductions. Some key examples include:

- elevators
- gym equipment
- fire safety equipment
- security cameras
- common area flooring (e.g. hallway carpet)
- garage doors.

How does common property depreciation work?

Common depreciation deductions are available on a pro-rata basis. They are established from the ownership percentage you have of the strata.

For example, if your ownership percentage is deemed as 10 per cent and the elevator holds a depreciable value of \$12,000 the value your depreciation deductions would be based off is \$1,200 (10 per cent of \$12,000).

How to claim common property deductions

The most accurate way to claim common property depreciation is with a tax depreciation schedule prepared by a specialist quantity surveyor.

A BMT Tax Depreciation schedule includes pro-rata calculations that your accountant will use to determine your common property deductions each financial year.



Dual Cab Utes – the ATO is on the lookout

Peter Cramer

Dual cab utes have become very popular over recent years – and sales are booming. One reason is that due to the general improvement of dual-cab utes, including the size and comfort of the vehicles, many business owners are purchasing these vehicles for use as a family vehicle to go to the beach, tow caravans and other private purposes as a way to “avoid” fringe benefits tax. (Fringe Benefits Tax rules apply to vehicles owned and operated through Companies or Trusts, or through Partnerships where the vehicle is made available to employees or associates of employees).

There are Fringe Benefits Tax exemptions available for vehicles not principally designed to carry passengers. There are specific formulas to determine whether vehicles are classified as exempt vehicles, however they generally include utes and vans. Included in this exemption are some dual-cab utes. The ATO’s guidelines allow “minor, infrequent and irregular” private use. This includes travelling to and from work. It does not however extend to trips to the beach, the supermarket, on holidays, amongst other things. With many dual-cab utes costing more than \$50,000 this could end up being a nasty surprise if you don’t hold a log book and are found to have breached the exempt vehicle guidelines. As an example, a \$50,000 vehicle used for private use without a log book may incur an annual FBT liability in the vicinity of \$10,000.

The ATO is tightening up the rules to catch situations where the Dual Cab ute is used more as a family vehicle rather than 100% for work.

The ATO allow up to 750 kms of private travel in company cars each year as long as no single return journey exceeds 200kms. Employees can make small diversions between home and work, as long as the detour adds less than two kms to their total trip.

Once the rules are breached, one cannot argue the ute is all business. A log book must be used to prove the actual business use. So, if the ute spends time at the footy every Saturday and is seen towing the van to the holiday destination, you may have a problem!

To be safe, we would recommend that where a dual cab ute is owned but is not solely used for business (eg drops the

kids at School regularly, goes on holiday with you and goes to footy) that you prepare a 12 week Log Book to prove the business use. A genuine work vehicle should still have a high business use percentage (we would expect) – and it will provide protection in the event of the ATO arguing it is not all business. Without a Log Book – you cannot ‘say’ it is ‘mainly business’ or ‘would be at least 95%’ – if you fail the 100% test you will be left with very little to claim!

(All it would take would be for the ATO to drive around the car parks of footy, holiday parks and so on and cross check the number plates back to registered owners and then tax returns.... Alternatively they will ask you in an audit situation as to the actual use of the vehicle.)

Better to be safe than sorry!



GTP Tid Bits

- ❖ Congratulations to Kathryn & Greg Hamilton who have welcomed their third child Millicent Jane Hamilton, a little sister for Isabella & Charlotte!
- ❖ Congratulations to Kerry & Grant Schultz who are expecting their second child, wishing you all the best at this exciting time!

7	2	6	8	1	5	4	3	9
4	1	8	9	3	6	7	2	5
3	5	9	4	7	2	6	8	1
6	9	3	2	4	7	1	5	8
1	4	7	5	9	8	2	6	3
5	8	2	3	6	1	9	7	4
2	6	5	1	8	4	3	9	7
8	3	4	7	2	9	5	1	6
9	7	1	6	5	3	8	4	2



Why feeling connected makes us feel good

Beyond Blue

Feeling connected to others plays a key role in our mental health and wellbeing. Discover why connection is so powerful – and how you can have more of it in your life.

How much social connection we seek out varies from one person to another, but one thing's for sure – as humans, we share a fundamental need to interact with and feel connected to others.

“We are social creatures by nature,” says Relationships Australia National Executive Officer, Nick Tebbey. “That feeling of belonging and being connected is really important for our wellbeing.”

Research backs that up, with a 2017 study finding that social connectedness and mental health are not only inextricably linked, it tends to be connectedness that promotes good mental health rather than the other way around.

“On the other hand,” says Tebbey, “we know that feeling isolated and lonely has a significant impact on our mental and physical health.”

The many faces of connection

What it takes to feel connected can be different for everyone.

“Connection doesn't look the same for all of us and that's actually a real positive,” says Tebbey. “It means we're able to connect – and feel connected – in so many different ways, regardless of our circumstances.”

So, while some kinds of connectedness revolve around physically spending time with like-minded people or doing something unifying – such as being part of a sports team or a book club – others are far less organised.

“Sometimes all it takes is making the effort to say hello to a neighbour,” says Tebbey. “Even small acts like that foster a genuine sense of connection.”

A study of Relationships Australia's 2019 Neighbour Day – an annual campaign that encourages people to connect with others in their community – proved exactly that. Those who made the effort to do something neighbourly experienced an increased sense of belonging.

“It doesn't have to be your next-door neighbour or neighbourhood community either,” explains Tebbey. “Communities exist in many different forms, including those you belong to online.”

And don't forget how nice it can be to receive something

in the post. Letter writing may be a lost art but there's something really lovely about knowing someone has taken the time to put pen to paper just for you. Australia Post have launched a special release stamp set to encourage people to stay connected.

Sometimes you don't even need anything tangible or actual interaction with others to feel connected.

“A really good example of that was the ‘teddy bear hunt’ that popped up all over the world as a response to COVID-19,” recalls Tebbey. “Simply participating made you feel like you were a part of something and, through that, more connected.”

One explanation for that is the fact that connectedness is actually a subjective thing, which means it relies far less on hard facts, like how large your social circle is, and far more on what you believe, sense or feel.

“This subjectiveness explains why it's possible to feel connected to a group of strangers, but also why you can sometimes feel lonely or unconnected among a group of people you know,” adds Tebbey.

Starting a conversation

If you are experiencing loneliness or struggling to feel a real sense of connection, Tebbey suggests speaking up or reaching out.

“Surveys we've conducted at Relationships Australia indicate that most of us are quite capable of recognising when we're feeling isolated or lonely. However, we're less well equipped to understand why we're feeling like that, and, importantly, what we can do about it.

“Talking to people you're close to about how you're feeling and asking them for help – if you feel comfortable – can be a good starting point. It may even help you identify larger issues that you need to seek support around in order to feel more connected.

“And if you don't have someone close to talk to or find that it doesn't help, reach out to a support service like Beyond Blue.”

The Beyond Blue online forums are a great way to connect with people online in a safe and anonymous environment. Discussion topics cover anxiety, depression, suicide, and a range of other life issues. Anyone in Australia can participate in discussions, connect with others, and share their experiences with our community.

If you need assistance visit Beyond Blue's support services. Our mental health professionals are available 24/7 on: 1300 22 4636. [Click here for a web chat \(3pm-12am AEST\)](#). Alternatively, contact us via email (responses within 24 hours).

For immediate support call Lifeline on 13 11 14 and in an emergency, always call triple zero (000).



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