

UNPAID TRUST DISTRIBUTIONS TO PRIVATE COMPANIES

The ATO has introduced a new approach to dealing with unpaid trust distributions (unpaid present entitlements or "UPE"s) to private companies. The new rules apply to all unpaid trust distributions made after 16 December 2009.

From the 2010 tax year onwards, the ATO will treat an unpaid trust distribution as an unfranked dividend in the trust unless one of the following has occurred:

- The UPE has been paid in full by the earlier of the Trust's 2011 lodgement date or 15 May 2012
- A division 7A loan agreement has been put in place by the earlier of the Trust's 2011 lodgement date or 15 May 2012
- The UPE has been placed on "sub trust" by 30 June 2011. A sub trust requires the UPE to be shown separately in the equity section of the balance sheet and a 7 or 10 year loan agreement being put in place which requires annual interest payments and repayment of the capital (the UPE) at the end of the loan term.

For the unpaid trust distributions arising from the 2009 and prior tax years, the only effect is to ensure that these UPE's have been shown in the balance sheet as UPE's and not as loans to the private companies. This may require a restatement in the balance sheet at 30 June 2009 for some Trusts. This restatement must be done by 31 December 2011.

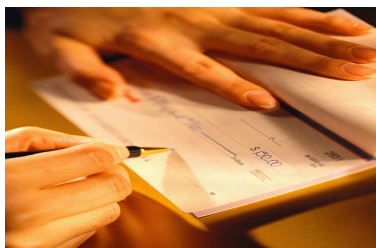
These changes affect a small number of our clients and we will be contacting you in due course to advise you of the course of action you will need to take to comply with these new requirements.

Please contact our office if you wish to obtain more information regarding these changes or if you wish to discuss your particular situation.

THINKING OF BUYING OR SELLING?

Don't forget we have a very experienced team of Conveyancers working alongside our great accounting staff.

You will find we have a friendly, efficient and professional approach which will not disappoint! We will be able assist you in all aspects of Conveyancing from buying, selling, transferring to general advice and much more.



DEADLINES

Remember to bring your tax work in early so that we can get your tax done and you don't miss the lodgement deadline. The deadline for lodging for most clients is 15 May 2012 but it may be earlier in some instances. If you think you will have a large tax payable we can complete your work and then hold off lodgement until a later date.

BUSINESS ACTIVITY STATEMENTS

If our office prepares your BAS - you will need to have your information to Kerrie by no later than the 31st of October 2011, information received after this date will incur an administration fee.

RETIREMENT PLANNING

On the 20th of October 2011 we are running a joint 'retirement planning' seminar with Jordan Financial Solutions.

This exclusive event is suitable for clients aged 54 and over who planning to retire in the near future. We will be focusing on a 'Transition to Retirement' strategy illustrating the benefits of reducing your tax and boosting your retirement nest egg through superannuation.

We have 2 special guest speakers;

1. Daniela is a registered psychologist in the specialist areas of Clinical and Counselling Psychology. She specialises in the areas of psychological assessment and counselling in the retirement field
2. John is a financial services professional with over 25 years experience in the field. He is regarded within AMP as one of the most technically sound retirement planning specialist

Venue: Michelangelo's Restaurant (4 Springvale Rd, Aspendale Gardens)

Time: 6.15pm – 7.45pm

In order to reserve your spot please contact Ally on 03 97733647 by 13th October 2011.

Upon entry, all attendee's will be receiving a gift along with many other door prizes. Beer, wine and soft drinks will be provided throughout the night's proceedings in conjunction with a vast selection of finger foods.

Miranda Professional Services *M*

September 2011 quarter Newsletter

STUDY EXPENSE CHANGES FOR STUDENTS RECEIVING AUSTUDY, ABSTUDY AND YOUTH ALLOWANCE

Students on Austudy, ABSTUDY and Youth Allowance can now claim a deduction for their study expenses.

The expense changes have been extended to allow for eligible recipients of Austudy and Abstudy to claim deductions for their study expenses.

Are you eligible?

You are eligible for a deduction for each year you lodged a tax return if:

- you received Austudy, Abstudy or Youth Allowance to study and included the allowance as income in your tax return
- you incurred study expenses, and you did not claim a deduction for these expenses.

Youth Allowance paid to 16-20 year olds when they are looking for work or undertaking approved employment-related activities is not included.

Expenses you can claim

Study expenses you may be able to claim include:

the cost of text books
home study expenses
the decline in value of your computer (you can only claim the study-related proportion)

You cannot claim contributions you, or the Australian Government, make under HECS-HELP or repayments you make under the Higher Education Loan Program (HELP) or the Student Financial Supplement Scheme (SFSS).



WORK-RELATED EXPENSES

The ATO pays particular attention to work-related expenses including car, travel, uniform & self education expenses, often identifying mistakes and sometimes finding claims that are false, not work-related or can't be substantiated through good record keeping or receipts.

The ATO will write to approximately 200,000 employees this year outlining some common mistakes including:

- insufficient documentation to support motor vehicle and travel expense claims
- incorrectly claiming motor vehicle expenses where they travel from home to work more than once per day
- incorrectly claiming home office, mobile phone and internet expenses

For all employees there are some simple rules regarding your work-related expense claims including:

- You must have incurred the expense in the year you are claiming it
- The expense must be work-related and not of a private nature
- If the expense has been reimbursed by your employer it cannot be claimed
- Receiving an allowance from your employer does not automatically entitle you to a deduction

If your work-related claims total more than \$300 you need to keep written evidence.

The ATO have released its compliance program and are increasing their use of data-matching projects to verify information provided by individual taxpayers in their tax returns. In particular, the ATO flagged interest in cross-referencing & income received from employment, welfare, interest and dividends.

WE WOULD LIKE TO WELCOME:

Robyn Laing joins our accounting team. Robyn will be able to help you with your ATO, Tax and accounting related queries.

Ally Meadows joins our administration team. Ally will be able to help you with ASIC concerns and all other administrative needs.

Heather Rowland joins our bookkeeping team. She is here to help you with your bookkeeping needs.



OFFICE HOURS

Now that our busy individual return preparation period is over our office has returned to our normal business hours. Our office is open from 8.30am—5.30pm.

AS USUAL...

Please refer to our web page for regular newsletters, staff profiles, and general information.

There are many useful links listed on our web page. These links are available to assist you in running your successful business. Our staff may refer you to our web page for some of your queries.