



Blue Orchid Accounting

Providing a friendly service for Individuals and Business

Year-End Checklist 2016 Individual Tax Returns

The Tax laws impose substantial penalties where income is understated or where expenses claimed for tax purposes cannot be substantiated with documentary evidence such as receipts etc.

It is recommended that you utilize this checklist as to ensure that you have all the necessary documents prior to making your appointment. Where information is missing, it may result in the delay in the preparation of your Income Tax Return.

INCOME

- Group Certificates (PAYG Summaries).
- Centrelink Statements for Newstart, Youth Allowance, Pensions
- Statements & any correspondence relating to Private Pensions/Allocated Pensions & Annuities.
- Interest received from all sources on Bank Accounts, Building Societies, Credit Unions, Term Deposits etc. Please check to ensure you have not closed any accounts throughout the year.
- Dividend Statements for all shares.
- Rental Properties (refer to page 4).
- Income from Managed Funds
- Capital Gains (refer to page 4).
- Insurance Proceeds from Income Protection Insurance.
- ~~Save receipts for ETP, Eligible Termination Payments, Statements, and the breakup of payment is required.~~
- Income derived from any profit making undertaken in business enterprises, partnerships, trusts etc.
- Reimbursements and allowances paid to you by your employer for out of pocket expenses, meals etc.
- Any other income, if you are unsure as to whether a payment is taxable or not, please provide all details and we shall advise accordingly.

NOTE: We do have access to information these days from the ATO but this information is not always correct or available at the start of the Tax season until the information is uploaded by the ATO. Whilst this information may be available it cannot be fully relied upon.

Building Industry Reports:

All Contractors in the Building Industry are now obliged to Report to the ATO any Subcontractors that they have engaged during the financial year. This Report includes the Subcontractor's ABN, Income paid and total GST included in the amount, during that financial year. This Report needs to be prepared and lodged with the ATO by the 28 August of each year.

If you are no longer in the Building and Construction Industry or did not employ any contractors during the financial year, you are still required to lodge this Report.

Long Service Leave Reports:

If you are working in the Building Industry and/or are self-employed, you are required to provide your income details to the Long Service Leave Corporation. These details are required in regards to your accumulation of Long Service Leave within the Industry. This leave will be paid to you after 10 years of service or when you leave the industry. There is no cost to you. Therefore, it is beneficial for you to be registered and report your information annually to the Long Service Leave Board .

OVERDUE LODGMENTS:

The Tax Office (ATO) is warning those who have not lodged Income Tax Returns on time to do so or face the consequences.

The penalties that the ATO can apply is limited to \$850.00 per outstanding tax return and these penalties are NOT tax deductible.

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DEDUCTIONS

Deductions must generally be supported with documentary evidence. It is preferable that you summarise all of your expenses into the categories as follows:

- Motor Vehicle Expenses – Registration number, make & model, engine capacity, details of travel, log book & receipts for expenses (where log book method is used) otherwise 5000km max claim. Tradesmen can claim travel with 'Tools of Trade' in vehicle.
- Travel – Overseas & Interstate business travel (Travel diary required)– airfares, taxis, accommodation, and meals.
- Corporate uniforms & protective clothing – receipts for cost & maintenance.

Note: Fly in fly out workers cannot claim airfares or travel. Living away from home accommodation & meals must be supported by a paid allowance & receipts for expenses.

WORK DEDUCTIONS

- Depreciable assets acquired and date of purchase
- Union fees & subscriptions
- Work related travel & accommodation
- Meal allowances
- Income protection insurance
- Donations
- Any other expenses that you have incurred in earning your income that you may consider to be tax deductible – we shall evaluate and advise on the deductibility or otherwise of these expenses.

SPECIFIC WORK DEDUCTIONS

- Telephone, mobile telephone & internet access (% of use only).
- Books & publications
- Stationery & requisites
- Tools of trade
- Sunscreen products or hand cream (certain industries only).
- Computers & software
- Seminars & conferences

OTHER

- Spouse - date of birth and income earned from employment, investments etc.
- Dependant children and Child Support payments if applicable.
- Private Health Insurance – Statement from your fund as evidence of membership and tax offset entitlement.
- Details of any superannuation payments made for non-working spouse.
- Last years Tax Agent fee and also Distance Traveled for appointment.

TAFE & UNI EXPENSES

(Course description and how it relates to employment is required)

- Telephone, mobile telephone for study group etc & internet access
- Text Books & publications / Stationery & requisites
- Computers & software cost for use in studies
- Student Levies TAFE or UNI Fees Also HECS/HELP/TLS debts
- Parking fees and distance traveled from either home or work to Class
- Brief case or carry bag for studies

CAPITAL GAINS TAX –Shares

- Purchase Certificate or reinvestment dates of shares
- Sale Certificate

CAPITAL GAINS TAX –Rental Property

- Purchase paper work
- Sale paper work
- Stamp Duty on purchase
- Cost of additions and alterations
- Real Estate Agent & Auctioneer commission
- Other sale costs

RENTAL PROPERTIES

- Address of property
- Purchase price & date of purchase
- Date started renting
- Was investment loan renegotiated
- Rental statement from Real Estate Agent
- Home loan statement
- Loan contracts & agreements
- Quantity surveyors report

RENTAL DEDUCTIONS

- Advertising for tenants
- Body corporate fees
- Capital purchases for the property ie air conditioner
- Cleaning & Gardening
- Council Rates / Land Tax Notice
- Insurance
- Pest Control
- Repairs & maintenance
- Stationery, telephone, postage
- Travel expenses
- Water Rates (Ensure that the Agent gets a copy to claim back from tenant)