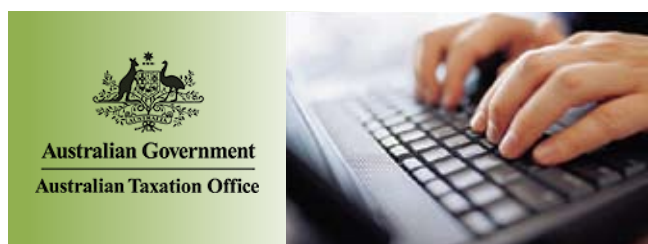


ATO System Changes – The Facts

The ATO are in the final stages of a complete overhaul of their systems. However, the system changes are not running as smoothly as hoped. There have been cases of incorrect client data reported and taxpayer payments not recorded.



There has also been the lengthy delays in the ATO processing returns. Where an income tax return has been lodged and a refund is due, if it takes longer than 30 days to issue the Notice of Assessment, the ATO will pay interest on the amount. You do not need to ask for it – it is automatically paid or applied to any debt on your account.

If you are affected by an income tax return processing delay, and you think the amount or rate the ATO have calculated will mean you would pay more (or less) than your expected tax for the current income year, you may also want to consider varying your PAYG Instalment rate or amount.

For further information or guidance please contact our office.

Louise Ovens
Senior Accountant

“New Look” Income Tax Assessments

As part of their recent system upgrade, the ATO have implemented a number of formatting changes to documents that you may receive. Income Tax Assessments have been largely affected by this change resulting in a completely “new look” and a greater detailed breakdown of the components of the Assessment.

Firstly, the new Assessments will comprise 4 pages rather than the usual 2. The first 2 pages will be headed “Notice of Assessment” and will contain the breakdown of the Assessment in “Debit” and “Credit” columns. The last 2 pages will be labelled “Statement of Account” and will include the summarisation of your Income Tax Account for the period, as well as any extra payable or refundable amounts applicable to the clearance of the account.

The ATO have also revised the conditions for which a client will receive an Income Tax Assessment. As an individual you will receive both the Notice of Assessment and the Statement of Account. Companies and Superannuation Funds however, are self assessing and will only receive the Statement of Account (to which your refund cheque or payment slip will be attached) which will contain a breakdown of the account in question.

All client Assessments are forwarded by Bentley Brett & Vincent and we are always available to answer any questions that you may have. If you receive your Assessment and you are not sure of how the amount has been calculated, please do not hesitate to contact Ros or Racquel at BBV.

Racquel Arellano
Customer Service Assistant

Tax Office Warns, “Protect Your Tax File Number!”

According to Deputy Taxation Commissioner Michael Cranston, identity crime is a genuine threat and TFNs can be used to commit a range of identity frauds.

“People are increasingly being asked to provide their TFN when it isn’t needed and we have seen instances of bogus job advertisements on the internet and in newspapers that ask for all sorts of personal details including TFNs,” said Mr Cranston.

To ensure your personal details are safe, the Tax Office suggests:

- Not carrying them in your purse, wallet or mobile phone
- shredding or destroying documents containing such information before disposing of them
- installing up-to-date anti-virus and anti-spyware software on your computer
- ensuring your tax agent is registered on the Tax Agents Board website
- Only providing your TFN and other personal details to trusted and reliable persons

Entities that are permitted to request your TFN include:

- the Tax Office
- employers
- banks & other financial institutions
- tax agents
- Centrelink, and
- superannuation funds.

Courtesy of the ATO website

Benefits of Super

Superannuation can be a great investment strategy to save for retirement. Here are a few reasons why.

Super is a long-term investment. By taking a long-term view, and utilising a strategic investment framework, investors are able to spread their risk over a larger time frame allowing volatile trends to have a minimal impact on their retirement savings.

There is a large choice of investment options. Super gives you the flexibility to invest your retirement savings in a range of asset classes from more conservative assets such as bonds and cash, to assets that are more volatile (but have the potential of earning higher returns over the long-term) such as property and Australian and International shares.



Pay less tax on your earnings. Investment earnings in a super fund are generally taxed at a maximum rate of 15% (not your marginal rate, which could be up to 46.5%). From age 60 you pay no tax on super benefits withdrawn. And further, if you convert your super to a pension, you pay zero tax on investment earnings within the super account.

Use super to make your insurance more affordable. Depending on certain circumstances, by holding your insurance inside your super fund you may be able to reduce the cost of life, TPD and income protection / salary continuance insurance and reduce cashflow restrictions outside super.

Get help from the Government. If you earn less than \$61,920 pa, and make personal after-tax super contributions before the end of financial year, the Government will help you out by matching your contribution with up to \$1,000. To qualify for the full co-contribution, you need to contribute at least \$1,000 and earn \$31,920 pa or less. A reduced amount will be paid if you contribute less than \$1,000 and/or earn between \$31,920 and \$61,920 pa.

Like to know more? Call your BBV Wealth Management team to discuss superannuation strategies to maximise your retirement savings.

Brad Russell

Para Planner – BBV Wealth Management

Team Members @ BBV

We have recently welcomed some new team members to BBV.

BBV Wealth Management have been joined by Brad Russell in the role of Para Planner. Brad has a Bachelor of Commerce Degree and over 4 years experience in the role of a Para Planner.

In the accounting team we welcome Louise Ovens. Louise has a Bachelor of Commerce Degree and is a CPA. Louise has recently spent some time in the UK, and has returned to Coffs Harbour to rejoin family and friends.

We also welcome back Tracey Hardaker. Tracey has an Advanced Diploma in Accounting and is a Tax Agent in her own right. Tracey was part of the BBV team quite a few years ago and we are glad to have Tracey back on board.

Our newest team member is Katrina Broomfield. Katrina will be looking after reception for us.

Unfortunately we will be bidding farewell to Tania Norberry after 7 years with BBV. Tania will be greatly missed, and we wish her well in her new endeavours.

Tax Office Email Scam Warning

The Tax Office is again warning people to be wary of a fraudulent email being circulated that claims to offer a refund from the Tax Office. The email fraudulently uses the Tax Office logo, has the words '**Australian Taxation Office – Notification**' or '**Australian Taxation Office – Please Read This**' in the subject line and is similar to another email scam that circulated previously. The Tax Office is advising people who receive the email to delete it immediately.

The email asks people to click on a link which redirects them to a website that looks similar to the Tax Office website and asks for credit card and personal details in order to receive a refund. This website is not affiliated with the Tax Office in any way.

If people have entered their credit card information on the website, they should contact their credit card provider as soon as possible and report a possible compromise.

Courtesy of the ATO website

This newsletter is compiled for your private information and is subject to copyright. We suggest that you do not act, or refrain from acting solely on the basis of the material contained in this newsletter as items are of a general nature only and may be liable to misinterpretation in particular circumstances. We recommend that our advice should be sought before acting on any of these crucial areas.