



Complete Commerce

Completing your business picture.

TAX TIPS 2017



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June 2017 has arrived and we have a pretty good understanding of how our financial year has unfolded. For many people there is going to be significant tax to pay whilst others just want a bigger refund. Here we count down the Top 6 Tax Tips of 2017.

NUMBER SIX

Customers not paying? The flow on effect in the community can be devastating for many people. However, if there is no chance that the customer will pay, you can officially write the amount off as a bad debt. Although this is nowhere near compensation for the time and expenses lost on your client, writing off the debt at least allows you to not pay tax on the issued invoice. If done correctly you will also be able to get back any GST you had previously paid to the ATO regarding that invoice.



NUMBER FIVE

If your cash flow allows it why not make a donation to a cause that genuinely helps something or someone that you care about. This year Complete Commerce has donated 5% of its profit to a number of charities. Not only does it feel good but giving money to a charity is tax deductible too!

NUMBER FOUR

Although it only defers the problem to next year, invoicing on July 1 as opposed to the last couple of weeks in June effectively defers tax for a whole year. As long as your cash flow can handle the week or two in deferral it can be a very savvy way of keeping your tax low, especially if an invoice or two work out to be large in size.



NUMBER THREE

Are you looking to undertake some professional development, training or self-education? If so, why not book in to the relevant course before 30 June because as long as the length of the course (or part of the course you have paid for) is less than 12 months then it is tax deductible to you in this financial year. It's a very sensible and tax deductible way of investing in yourself.



NUMBER TWO

Do you have a designated home office? Did you know that buying items for the home office can be tax deductible? For salary and wage earners, items under \$300 are immediately deductible as long as they are used exclusively for work purposes. For small businesses, items under \$20,000 are immediately deductible as long as they are used exclusively for business purposes. If you purchase an asset under these thresholds and the use is not 100% then the work/business portion will still be fully deductible in this year's tax return. Depending on your circumstances, items like desks, cupboards, shelving, printers, ipads, laptops, artwork, rugs etc may all be deductible.

NUMBER ONE

Do you have a business with a turnover of less than \$10 million? If so, the ATO now classes you as a small business and as such you are entitled to an immediate tax deduction for any asset you purchase that is 100% used in your business and costs less than \$20,000. Think of the options – tools, cars, plant and equipment, computers, technology, desks, tables, chairs, artwork, memorabilia etc. If your business needs it then why not purchase it before 30 June to claim an immediate tax deduction for it. An asset purchased for \$19,999 would save the average business tax in the vicinity of \$6,000-\$9,000 which is certainly substantial.

