



# Complete Commerce

*Completing your business picture.*



## *Christmas Newsletter 2021*



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### **WELCOME**

Welcome to the 2021 Christmas Newsletter. I'm sure you have all been waiting for my annual proclamation of 'where has the year gone?' and I don't plan to disappoint you.....WHERE HAS THE YEAR GONE?! Despite the difficulties of lockdown and homeschooling, it has been a particularly exciting last five months for Complete Commerce with a solid stream of new clients and many current clients setting up Self-managed Superannuation Funds to take control of their financial future (mostly buying Commercial properties for their businesses to rent). After another trying year for the community we encourage everyone to soak up the joy of the Christmas season. Everyone is just that little bit merrier so make some time to visit your friends and family and get some air in those lungs.



### **WHAT DO THE NEXT 12 MONTHS HOLD?**

We have new neighbours at home and they are lovely. To quote the movie Step Brothers: "Did we just become best friends?" ... "YEP!" However when the Mum mentioned to me that she was The Grinch and that she doesn't care for Christmas I cheekily replied 'I'm sorry to hear that but we're going to have the whole front yard full of lights and inflatables so Buckle Up'. And that's my message for the next 12 months. We don't know what this world is going to throw at us so we need to buckle up and be prepared to face it front on. It might be more lockdowns with the Omicron strain. It might be a full year of normal trading and fun adventures. Either way we need to stay agile and flexible and ready to work hard.

But please also take the time to look after yourself and be kind to yourself. Mental health is a huge issue at the moment and we have had lots of chats over the last 18 months with clients who are exhausted and struggling for motivation. So look after yourselves and look after your nearest and dearest where you can.

### **COMPLETE COMMERCE CLOSURE AND TIMING OF WORK**

Our office will close at 3pm on Friday 17 December 2021 and will re-open on again on Tuesday 11 January 2022. During the majority of this time our staff will be on leave taking a well-deserved break.

Our December workflow is already reasonably full but if you would like to get your information in over the next couple of weeks' we can make it a priority to work on this for you mid-January.

This newsletter is intended to provide information of a general nature only. We have not taken into account your personal financial situation or needs. For personal advice please contact Complete Commerce.

## DIRECTOR ID's

If you are the Director of a Company (90% of you reading this will be) then you now need to apply for a Director ID. This was introduced at the start of November 2021.

**What are Director ID's?** A director ID is a unique identification number given to a Director who has verified their identity with the government.

**Why do we need to have Director ID's now?** To help prevent the use of false or fraudulent Director identities.

**Who needs to apply?** Anyone who is a Director MUST apply by 30 November 2022. But we encourage you to do this as soon as possible.

**How to apply?** You will need to apply by downloading the MYGOVID app (which is different to the standard MYGOV account) and proving your identity using documents such as Driver's Licence and Medicare Cards. All the relevant information to help you apply can be found here: <https://www.abrs.gov.au/director-identification-number>.



## CHRISTMAS COMPETITION

With our Christmas Newsletter going out in early December this year, it gives us time to run a little Christmas competition. Send in a photo of you doing something that is quintessentially Christmas to you. It doesn't matter what anyone else might think we want something that means Christmas to you. Add a few words to your entry to add that little bit more oomph.

Entries can be sent to [competitions@completecommerce.com.au](mailto:competitions@completecommerce.com.au) and winners will be announced via email to the Complete Commerce client base just before Christmas (so if you are going to enter you have to be prepared for us to send the photo and your blurb to all our clients). Entries close 6pm Tuesday 14 December 2021. This will be a very worthwhile prize to win!



## DO YOU HAVE EMPLOYEES?

From 1 November 2021, if you employ new staff and they don't choose a super fund, you need to request their existing super account ('stapled super fund') details from the ATO.

A stapled super fund is an existing super account linked, or 'stapled', to an employee so it follows them as they change jobs.

As always, if you need any help with this or any other staffing issue please give us a call.

## **CRYPTOCURRENCY AND NON-FUNGIBLE TOKENS (NFT's)**

Over the last few years I have had quite a few conversations with some forward thinking clients who have been investing in cryptocurrency. Some have made wild gains, some have made losses and some have had their investments stolen. This is why the common analogy is to describe this space as 'the wild wild west'.



### Cryptocurrency

In the last five months we have noticed many clients with small cryptocurrency portfolios popping up. A lot of these portfolios have a lot of sales and swaps as part of their cryptocurrency trading. However, it needs to be noted that every time you sell or swap a cryptocurrency the ATO treats it as Capital Gain event and tax needs to be paid if a profit has been made.

There are a few things to consider here:

1. Although a lot of people are after short-term gains, if you sell or swap your cryptocurrency prior to holding them for twelve months you will not be able to get the 50% general discount on capital gains tax.
2. The ATO is getting a lot of data from the main cryptocurrency traders such as Coinspot. So, if you were planning on not declaring this income you might get a nasty surprise.
3. A lot of the cryptocurrency traders will provide End of Financial Year buy and sell reports but do not classify profits and losses on the sales/swaps. This means you will need to do the calculations yourself or can engage us to do the calculations on your behalf. We recently charged a client over \$1,000 for performing calculations on a big portfolio of sales and swaps where there was no profit and loss analysis. Please be careful that you aren't selling just for the fun of it and be aware that there may be additional costs to consider every time you sell/swap.

### Non-fungible tokens (NFT's)

When most people first hear the acronym NFT there is plenty of confusion and I was no different. However, once you look into it you realise that people are just buying assets just in a different format. Things to consider with NFT's:

1. If you sell an NFT there will be a capital gain/loss event just like with cryptocurrency.
2. However, if you stake your NFTs to earn coins/income these amounts will be considered normal income and hence taxed at your marginal rates.

## **GETTING IN EARLY**

We're doing a fair bit of crystal balling at the moment and one of the areas of note is in regard to the Instant Asset Write-off (which has had its name changed to Temporary Expensing). This is where a small business can claim a tax deduction for most assets purchased for under \$150,000 (please note there are limits for motor vehicles). At the moment the government doesn't have plans to extend this after the end date of 30 June 2022 and therefore the cap may reduce from \$150,000 to \$30,000 which was the previous cap. Therefore if you have a need for large capital expenditure or even a vehicle then you may want to be prepared to launch on this prior to 30 June 2022. As always the May 2022 Federal Budget will tell us more but if we have our ducks in a row prior to this it will help us to be ready should the Temporary Expensing Measures not be renewed.

