



NEWSLETTER – DECEMBER 2020

IMPORTANT UPCOMING DATES

<h3>December 2020</h3>	<h3>Merry Christmas from M & B</h3>
<p>6th December — End of Fortnight for Jobkeeper purposes</p> <p>14th December — Lodgement of Monthly Declaration for Jobkeeper</p> <p>20th December — End of Fortnight for Jobkeeper purposes</p> <p>21st December — Lodgement of Monthly Activity Statements for November 2020</p> <p>23rd December— Office closed for Christmas & New Year</p>	<p>The team at M & B Accountants want to take this opportunity to wish you a Merry Christmas and a very Happy and Safe New Year.</p> <p>We also wish to advise that our office will be closed from 5:00pm on the 23rd December 2020 and will reopen at 8:30am on Monday 11th January 2021.</p> 
<h3>January 2021</h3>	<h3>UNCLAIMED MONIES</h3>
<p>3rd January — End of Fortnight for Jobkeeper purposes</p> <p>11th January — Our Office reopens for 2021</p> <p>17th January — End of Fortnight for Jobkeeper purposes</p> <p>21st January — Lodgement of Monthly Activity Statements for Dec 2020</p> <p>28th January — Payment Quarter 2, 2020/21 Super Guarantee required</p> <p>31st January — End of Fortnight for Jobkeeper purposes</p>	<p>Are the Australian Securities and Investment Commission holding unclaimed money on your behalf?</p> <p>There is around \$1.1 Billion in lost money to be claimed from bank accounts, shares, investments and life insurance policies.</p> <p>After a certain period of time any unclaimed money is transferred to an Australian Government Fund. ASIC maintains a database of unclaimed money records so that the rightful owners can claim their money.</p> <p>You can search for any unclaimed money by visiting:</p>
<h3>February 2021</h3>	<p>https://moneysmart.gov.au/find-unclaimed-money</p>
<p>14th February —End of Fortnight for Jobkeeper purposes</p> <p>21st February —Lodgement of Monthly Activity Statements for January 2021</p> <p>28th February — End of Fortnight for Jobkeeper purposes</p> <p>28th February — Lodgement of Quarterly Activity Statements for December 2021</p>	<p>You never know what you might find!</p> 

TEAM NEWS

Congratulations to Jess Lee on her recent marriage to Rhys Duggan.

We wish the happy couple all the best for a happy and joyous future together

FULL EXPENSING OF DEPRECIABLE ASSETS

Announced in the Federal Budget handed down on 6th October 2020, was the Full Expensing of Depreciable Assets.

This allows for a business (with turnover up to \$50m) to fully expense an asset purchased from 6th October 2020 effectively obtaining a tax deduction for the full purchase price, regardless of the assets cost.

To be eligible for the full tax deduction the asset must be acquired between 7:30pm on 6th October 2020 and 30th June 2022.

It must be installed ready for use prior to 30th June 2022.

For assets purchased prior to the Federal Budget, the \$150,000 Instant Asset Write Off will still apply as long as the asset is installed ready for use prior to 30th June 2021.

For cars, the deduction is capped at the Car Depreciation Limit which is \$59,136 in the 2020/21

JOBKEEPER EXTENSION

We note that the Jobkeeper wage subsidy has been extended through until 28th March 2021.

For businesses that have experienced a decline in turnover of 30% or more, an opportunity exists to take advantage of the Jobkeeper wage subsidy.

For the period 4th January 2021 to 28th March 2021, the reduction in turnover needs to be determined and reported to the ATO in early January 2021.

Contact the team at M& B Accountants if you have any queries regarding the Jobkeeper Subsidy



TEAM MEMBER PROFILE— JESS

Jess is one of our accountants here at M & B accountants that has trained and worked with our firm for almost 7 years. She began working at SFG Spencers in 2013 whilst completing her Bachelor of Commerce Degree at Deakin University majoring in Accounting and Commercial Law. Jess graduated Deakin University with distinction in 2015 and began working full time as an Accountant, making the transition with us from SFG Spencers to M & B Accountants.

Over the last 3 years Jess has also been studying very hard and is now a Certified Practicing Accountant.

Jess builds solid relationships with her clients and has a strong knowledge of Business/Individual Tax Returns and other accounting requirements. She also enjoys helping clients with their accounting software programs whether it be training a client for the first time or fine tuning their processes. She particularly loves to provide you with a personalized service tailored to your needs, maintaining quality relationships.

Jess is the daredevil of the team, spending most of her time outside of work doing anything with adrenaline. She goes water ski racing, whilst cheering her husband on who is also out on the skis. When she is not racing, she enjoys spending time with her family and husband taking their ski boat out on the water, going camping on the Murray River, riding motorbikes as well as strength training and fine tuning her Muay Thai skills.

REFERRAL OFFER

Our business relies on referrals from our existing clients, to generate new business which allows us to continue to provide a quality and personalised service to our valued new and existing clients.

As we look to expand our practice over the next year, we are reaching out to people that we know and trust within our network to help us generate more business. Do you know one or two people like you, that could benefit from our services?

If so, we would be happy to meet with them to explore their financial needs. As a token of our appreciation, we will reduce your 2020/21 accounting fees by 10% (up to a maximum of \$500 in total per client group) for any referrals that join our firm.

Once again we want to sincerely thank you for your support in 2020 and look forward to working with you in the new year.

JOB MAKER HIRING CREDITS

Eligible employers will have access to a JobMaker Hiring Credit for each new job they create over the 12 months from 7th October 2020 for which they hire an eligible employee.

The JobMaker Hiring Credit will be

- ◇ \$200 per week for each eligible employee aged 16 to 29
- ◇ \$100 per week for each eligible employee aged 30 to 35

To be eligible an employer must

- * Hold an Australian Business Number
- * Be up to date with their tax obligations
- * Be registered for PAYG Withholding
- * Not claiming Jobkeeper
- * Be reporting through Single Touch Payroll

Eligible employees must be aged 16–35 and be in receipt of income support payments for at least one of the three months preceding their employment.

Further eligibility conditions will apply to employers based on the employer's headcount.

Contact M & B Accountants for more information.

SELF-MANAGED SUPER FUND MINIMUM PENSION PAYMENTS HALVED

For Self-Managed Superannuation Funds that are in Pension phase, there is a minimum income stream payment required to be made each year.

Due to the effects of Covid-19 the Australian Government have reduced this minimum pension payment for 2019/20 and 2020/21 to half of the normal amount.

The minimum income stream payments are highlighted in the following table and depend on the members age as at the start of the income year.

Age of account holder	Percentage factors	2020/21 Percentage Factors
Under 65	4%	2%
65 to 74	5%	3%
75 to 79	6%	3%
80 to 84	7%	4%
85 to 89	9%	5%
90 to 94	11%	6%
Aged 95 or	14%	7%

TEMPORARY LOSS CARRY BACK

The Government will allow eligible companies to carry back losses from the 2019-20, 2020-21 and 2021-22 financial years to offset previously taxed profits in 2018-19 and later income years.

Eligible entities with a turnover of less than \$5 Billion can apply the loss carry back provisions when lodging their 2020-21 company tax return.

Companies that do not elect to use these measures can still carry forward losses as normal.

The Loss Carry Back Provisions provide for a refundable tax offset, effectively providing a loss company with a cash refund for the tax that was paid in a prior year.

TAX CUTS ANNOUNCED

Recently the Federal Government announced that the tax cuts schedule for 2022 have been brought forward. These tax cuts apply to the 2020/21 financial year.

Employers should now be deducting slightly less tax per pay cycle passing on the tax cut to employees.

The tax rate changes are outlined in the table below:

2019/20	
Income	Tax Rates
\$0 - \$18,200	0
\$18,201 - \$37,000	19c for each \$1 over \$18,200
\$37,001 - \$90,000	\$3,572 plus 32.5c for each \$1 over \$37,000
\$90,001 - \$180,000	\$20,797 plus 37c for each \$1 over \$90,000
Over \$180,000	\$54,097 plus 45c for each \$1 over \$180,000

2020/21	
Income	Tax Rates
\$0 - \$18,200	0
\$18,201 - \$45,000	19c for each \$1 over \$18,200
\$45,001 - \$120,000	\$5,0929 plus 32.5c for each \$1 over \$45,000
\$120,001 - \$180,000	\$29,467 plus 37c for each \$1 over \$120,000
Over \$180,000	\$51,667 plus 45c for each \$1 over \$180,000

ATO CYBER SAFETY CHECKLIST

During this time of heightened scam activity, the ATO is encouraging individuals and businesses to:

- Use Multi-factor authentication where possible and don't share your password with anyone
- Run the latest software updates to ensure operating systems security is current
- Secure your private wi-fi network with passwords (not the default password) and do not make financial transactions when using public wi-fi networks
- Exercise caution when clicking on links and providing personal identifying information
- Only access online government services via an independent search—not via emails or SMS
- If in doubt, call the ATO on an independently sourced number to verify an interaction
- Educate your staff on cyber safety and scams

To report a data breach or scam visit

ato.gov.au/onlinesecurity



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