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June 2013 Newsletter

Who's Who in The Firm...

Kerri Dickman

FCPA: Senior Accountant and principal of the Firm.

Accounting Team

Marguerite Stewart

Michael Johnson

Mattia Wellspring

Kata Heming

Steve Maginnity

Administration Team

Cath Horrigan

Josie Pachi

Bookkeeper

Joanne Clarke

Our Year

What a busy year we have had! Each financial year seems to fly past faster than the year before!

This year we have welcomed our new accountant Kata Heming who is part of our Business Team. Kata brings a number of years' experience with her and is also a talented cake decorator who has been spoiling us with some of her delicious creations.

We have said goodbye to Shilpa Kalele who has been with us for over three years. Shilpa is about to travel home to India to spend some quality time with her family before returning to Australia to take on her next challenge. In the meantime, Stephen Maginnity will take her place commencing the 1st July. Steve has recently re-located from the South Coast to frosty Canberra.

Kerri & the KDC Team

Claiming Deductions for Donations to Disaster Relief

The Australian Taxation Office has approved claiming of donations without a receipt up to a total of \$10.00 for the 2012-13 year, where made to 'bucket appeals' for the Tasmanian bushfires and other events declared a disaster for tax purposes in the 2012-13 tax year. This means small donations of \$2.00 to \$10.00 made in the 2012-13 tax year to 'bucket appeals' conducted by deductible gift recipients (DGR's) may be claimed. The ATO maintains a list of all disasters that meet these requirements. You will need to diarise the donations so that you can tell us for your tax

This is general advice only. It is not possible to take into account individual client's circumstances and needs. Before acting on any information or advice contained, expressly or implicitly, in this newsletter you should consult Kerri Dickman & Co as all cases are unique more information may be needed.

return. For more information please go to www.ato.gov.au and search for claiming deductions for disaster relief.

Reminders!

- Please note the 30th June is a Sunday this year. Don't get caught out paying your bills on the Monday.
- Remember super payments must reach your super fund by 30th June. We recommend payment by Tuesday 25th June at the latest.
- Don't forget your Private Hospital Insurance Statement when preparing for this year's tax. There have been some changes and we will need the extra information provided. We are unable to rely on previous year's data.
- Anyone wanting to make a claim for motor vehicle expenses needs to record their odometer readings as at 30th June each year. Failure to do so could mean that you are not able to claim your motor vehicle expenses. This is relevant for those in business and those who are employees.
- If you need a PAYG variation done, please contact the office ASAP to ensure the continuity of your existing circumstances. All current PAYG variations cease on the 30th of June.

Resident Individual Rate

Tax Rates for 2012-13...

Thresholds	Tax on this income
0 - \$18,200	Nil
\$18,201 - \$37,000	19c for each \$1 over \$18,201
\$37,001 - \$80,000	\$3,572 plus 32.5c for each \$1 over \$37,000
\$80,001 - \$180,000	\$17,547 plus 37c for each \$1 over \$80,000
\$180,000 and over	\$54,547 plus 45c for each \$1 over \$180,000

* Rates are applicable to resident taxpayers and do not include Medicare Levy (usually 1.5%).

Quotes

"Many folks think they aren't good at earning money, when what they don't know is how to use it". *Frank A. Clark*

Change to the Issuing of Higher Education Loan Program and Financial Supplement Statements

The ATO will no longer automatically send annual account statements for Higher Education Loan Program (HELP) or Student Financial Supplement Scheme (SFSS) debts

You will now be able to get your HELP or SFSS account balance through your tax agent. A paper statement can be ordered at any time during the year by phoning the ATO on 13 28 61 between 8am and 6pm (EST).

Please note the 5% discount ceases for up front HELP payments as at 31 of December 2013.

If you expect to payout your debt on lodgement of your 2013 ITR you should contact us by Mid-October.

Employee Benefit Arrangement

In the course of your employment, you may be offered an employee benefit arrangement. These arrangements are generally set up to provide a benefit for employees. Some of these benefits may include-

- Super
- Shares
- Units in a Unit Trust
- Trust Distributions
- Reimbursements for welfare payments

Like any financial arrangement you should seek independent advice regarding possible tax implications. If you would like to discuss this further please contact our office.

Audit Insurance

Audit insurance is a policy we administer on your behalf to pay legal and accounting fees if you are audited by any government agencies.

Your invoice for audit insurance will be coming separately this year – please watch out for it and action it as soon as it arrives.

For former clients of Pat Hibberd you will be receiving the full Tax Audit Insurance Fee for this year. Last year's invoice was based on a pro rata basis.

SuperSeeker - Do you know where your super is?

Super Seeker is a secure free online tool offered by the ATO. You will need to register online and create a secure login before you can start. You will need to provide your name, date of birth and tax file number.

Go to- www.ato.gov.au and search for SuperSeeker.

Please note that if you do a web search for SuperSeeker a number of sites will come up offering the same service. Many of these will charge a fee.

Cheque refunds a thing of the past

The ATO has been gradually phasing out cheque refunds and will no longer issue cheques. All refunds will now be paid by direct deposit into your nominated bank account.

To ensure we have your current bank account details please take note of the account number listed on your Electronic Lodgements Declaration when signing your tax return. Incorrect account details will mean your refund is returned to the ATO resulting in an inconvenient delay.

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www.glasbergen.com



"I found the problem. We earn money 5 days a week, but we spend money 7 days a week."

Your dedicated Business Development Team for all your business growth and improvement needs ...

Kerri Dickman

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Michael Johnson

Steve Maginnity

Kata Heming

Joanne Clarke

Referrals

Did you know that 80% of our new business comes from your referrals? The greatest compliment you could pay us is telling your friends, family and colleagues about Kerri Dickman & Co.

Could the people in your life benefit from our tax advice; do they need assistance lodging their tax returns, or are they looking to grow their business? If so please tell them about our services and pass on our contact details.

If they aren't sure they are ready to move, we would be more than happy to send them our newsletters whilst they think about it.

Thank you and keep up the great work!

Investments and Record Keeping

If you have been considering buying a rental property, it is important to remember the importance of good record keeping. You will need proof of your expenses from the time you sign the contract so that you can claim everything that you are entitled to.

To work out any capital gain (or loss) when you dispose of the property, you will also need records of relevant transactions over your ownership period of the property and of all the associated costs of buying the property.

Capital Gains Tax and Family Law

When parties divide their assets after a family breakdown, tax issues need to be carefully considered. When assets are sold they are generally subject to Capital Gains Tax (CGT). However a transfer under the Family Law Court Act does not incur CGT.

If you would like to discuss this further please contact our office.

Improved online services for individuals now available

Individual clients can now view and update some personal and superannuation information with the Australian Taxation Office online. For example, individuals can now-

- Update income tax contact and bank account details
- Check progress of recently lodged income tax returns
- Keep track of super

For more information go to- www.ato.gov.au

Thought for the Day

*"I never said it would be easy,
I only said it would be worth it"* Mae West and others



BOB WORKS FROM HOME TO ESCAPE THE DISTRACTION OF OFFICE CHIT CHAT.

Medical Expenses 2013

Please note that here are new thresholds for claiming Medical Expenses from 1 July 2013. It has become an income tested benefit.

Family Status	ATI Threshold	What can I claim
Single (Single at 30 June 2013 with no dependants)	\$84,000 or less	20% of net medical expenses over \$2,120
	\$84,000 or above	10% of net medical expenses over \$5,000
Family (with a spouse at 30 June 2013, or dependent children at any time during the year, or both)	\$168,000* or less	20% of net medical expenses over \$2,120
	\$168,000* or above	10% of net medical expenses over \$5,000
*plus \$1,500 for each dependent child		
Please note ATI includes Reportable Fringe Benefits, Superannuation, Salary Sacrifice and Investment Losses. To be able to claim Medical Expenses in 2014 you need to have made a claim in the previous year.		

Credit Card Surcharge

As from the 1st of July Kerri Dickman & Co will be charging a credit card surcharge of 2.73% (incl GST) on invoices over \$1,000. This is due to increased bank fees and the reduced number of clients using the facility (most you are now paying by direct debit or EFTPOS).

All invoices have our account details if you would like to transfer funds directly to our account. Please use your invoice number or client code when transferring funds to us so that we can ensure your account is reconciled.

Please note that EFTPOS will not attract the surcharge, only credit card transactions. We have delayed the introduction of this fee as long as possible and we ask for your understanding in this matter.

How Long Must I Keep My Records?

- Individuals, Partnerships, Companies & Trusts - 5 years
- Super Funds- 10 years

But remember: The clock doesn't start ticking until you lodge your return or sell any assets – whichever comes later!

If you buy a car or an investment property, your records must be kept for 5 (10 years) after you have sold the car or investment property.

Contact Details

Please remember to update your contact details with our office. If you change your address, work phone, or email address, we need to know. In most instances an email will suffice.

Ransomware Alert

Ransomware is a type of malware that prevents you from using your computer or accessing your data until you pay a certain amount (the "ransom") to a remote entity. There are two types of ransomware:

- Lock screen ransomware, which displays a full-screen image or webpage that prevents you from accessing anything in your computer, and
- Encryption ransomware, which encrypts your files with a password, preventing you from opening them

Most ransomware is a notification, saying that the authorities in your location have detected illegal activity in your computer. To avoid prosecution, and regain access to your files, ransomware demand payment from you in the form of a "fine". Paying the fine does not necessarily return your computer to a usable state.

Ransomware is still a form of Malware and it is recommended that you install and keep up to date antivirus software and regularly perform a backup of your computer/s

Insurance is available to help out if out fall victim. Please contact your insurance broker for further information.

Wondering when to bring your work in?

Generally, we are happy to receive your work when you are ready to bring it to us, but we really need to have received it by 31st March to ensure we can meet the May deadlines. Of course, if you have an earlier deadline with the Australian Taxation Office, we will let you know.

If you have an earlier deadline, please make sure we know about it. We never miss a deadline that we know of!

Latex Allergy

Many of you have commented on the signage we now have in our office regarding Latex Allergy. Latex is found in many everyday items, such as balloons, rubber bands, food preparation gloves and some shoes.

Symptoms can range from mild to severe and can include hives, runny nose, headaches and even abdominal cramping. Continuous exposure to latex can lead to a severe and life threatening allergic reaction called anaphylaxis.

For further information regarding this allergy go to

www.latexallergyresources.org



Milestone

On the 1st of May Kerri celebrated 25 years as an accountant. So in true KDC style we helped her celebrate with a surprise lunch!

I am sure you will all join us in congratulating Kerri on this fantastic career achievement!



Cake by our talented Kata Heming

We always knew we were glamorous and gorgeous, but....

Now we have proof! A 25 year old accountant from Connecticut won Miss USA just last week. Brains and Beauty!...but then you already knew that about us didn't you?