



## HOW “CLEAN” IS YOUR DIRTY LAUNDRY CLAIM?!

ATO cracks down on work-related expense (WRE) claims and are literally going through dirty laundry bills in the process. The crackdown by ATO is due to a combination of an increase in work claims as well as from their advancement in technological capabilities and data matching tools. The previous ineffective cost structure prohibited ATO from investigating smaller cases of mis-claiming, but now they have their systems set-up for anything.

Claims in each area of WRE (ie travel, vehicle usage, uniforms, training, stationery, mobile/internet, union etc) can be compared to averages in your occupation, creating **RED** flags and leading to a “risk” score. ATO will act on that risk profile for deeper investigation. Best to always follow the 3 golden rules = 1. You’ve incurred/paid the cost and not been reimbursed, 2. The expense is directly related to your income earning and not a private cost, 3. You have a record to prove the expense. Your claims should be essential to your employment and not just related to your work. Having your ducks in a row is ideally what the ATO expects behind every claim!!

Check out the valuable information in this newsletter and always remember to ask before you take any actions or make any decisions on tax-related matters, if you are unsure in any way.

Enjoy **STAX** of Info!

Best regards,  
Cheryl L Munko

Click [here](#) for quick access to videos



### SMALL BUSINESS ENTITIES (SBE)

**Small business eligibility threshold** has been \$10 million aggregated turnover since 01.07.16 and continues to be the same to-date.

The application of this \$10 million aggregated turnover is for most SBE concessions, EXCEPT for the SBE CGT concessions that still only applies to turnover less than \$2m and SBITO (small business income tax offset) that still only applies to turnover less than \$5m.

For SBE’s with turnover <\$5m, the SBITO (small business income tax offset), is available for business income earned by a **Sole Trader, Partnership, or Trust**, where they meet the turnover threshold. This offset started as 5% in 2016, but was 8% for 2017, with maximum offset being \$1000. This will increase to 10% in 2025.

For SBE’s with turnover <\$10m and are a **Company** structure, the tax rate for 2017 was reduced to 27.5%, from the 2016 rate of 28.5%. For 2018, the rate is still 27.5% and that is also the maximum franking credit.

For 2018 tax year, there is a new “base rate” company definition, where the 27.5% company tax rate can be utilised by a company that may not be eligible for SBE concessions but is a “base rate” company. A “base rate” company is one with turnover <\$25m & is operating a business.

The 2018 budget has proposed a change to the SBE instant asset write-off for assets <\$20k, to extend the period of purchase and installation to 30.06.19 instead of 30.06.18. The legislation around this is still being devised by ATO.

**CHECK OUT THIS LINK TO READ MORE ABOUT THESE SBE ITEMS = [HERE](#)**



### WORK DEDUCTIONS! How “CLEAN” is your laundry?

As you would be aware, there is a \$150 laundry claim maximum limit for washing & drying & ironing your uniforms at home, without having to show receipts.

This is a claim based on \$1 per load for a full load of JUST your claimable uniforms or \$0.50 per load for a mixed load of your uniforms & other clothes.

If you have an eligible uniform AND you launder it at home, then a calculation must be done to work out your claim

You must be able to tell me:

- Which type of uniform you have:
  - compulsory as per employer
  - protective and/or hi-vis etc
  - registered logo etc
- How many times you laundered it during 2017/18 for each of these:
  - on its own in a full load, or
  - as a part of a mixed load.
- Whether you incurred the cost at home yourself for doing your uniform laundry.

## ALWAYS CLAIM THE RIGHT AMOUNT, NO MORE NO LESS!!!

### PERSONAL SUPER CONTRIBUTIONS

From 01.07.17, IF YOU make personal after-tax contributions to your eligible Super Fund AND if you wish to claim a tax deduction in your personal tax return for personal contributions made to your complying Super Fund by 30.06.18, the MAIN conditions stipulate that:

- you must be less than 75 years old, PLUS
- you must satisfy the “work test” if you are 65 to 74 PLUS
- you must notify your Super Fund in writing BEFORE you lodge your 2018 tax return, PLUS
- your Super Fund MUST acknowledge your notification in writing BEFORE you lodge your 2018 tax return.

There are of course many other intricate terms and conditions for claiming a tax deduction for Personal Super Contributions, so please refer to this link for more info OR let us know your queries - [SUPER](#)

**There are implications in your tax return AND in your Super Fund for claiming a personal super contribution as a tax deduction, so please ask more if interested.**



**You MUST not exceed your Concessional Contributions Cap if you don’t want to pay excess tax. This CAP is \$25000 for the 2018 tax year for everyone.**

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**2018**

**STAX**  
**OF INFO**

## MUNKO ACCOUNTING PORTAL POWERED BY MYOB

As most of you have already had your 2017 tax return prepared & lodged, you will be familiar with the new process of **digitally** approving your tax return for lodgement.

For those clients yet to experience the new system for approvals, and for those to be ready again for 2018, here are some insights & reminders for you:



- Your portal access is linked to a unique email address per client.
- You will receive an initial email notification from the portal to sign-up & create your own password, with the username being your own email address.
- Please keep your password handy and safe for future access to your own portal.
- Any documents requiring digital approval, will be uploaded to your portal & you will receive notification by email that it is ready to review & for you to click the box of approval once you are happy to proceed.
- This will then digitally stamp the document in the background & will be sent to me via the portal for my files.
- I will then be able to lodge it electronically for you.

## SMALL BUSINESS "MATTERS"

Did you know that **SMALL businesses are an essential driver of economic growth?!?**

Helping YOU to make sense of your tax obligations and your facts & figures, is how we can help you to keep doing your small business "thing" and to keep you receiving a gold star from the ATO, for reporting all of your income & claiming all of your eligible deductions & lodging BAS & TAX on-time, every time!

The **GOLD** star checklist for you:

- **KEEP** your records up-to-date throughout the year, to help you track your own business health & to also be ready for tax time too.
- **CLAIM** your assets purchased and used in your business, making the most of the \$20,000 instant tax threshold still in place.
- **RESPOND** to all ATO letters and MUNKO ACCOUNTING emails/letters in enough time, so that your BAS & TAX returns can be done smoothly & accurately.
- **CALL** or email us to check and learn topics/matters BEFORE they are due or BEFORE a decision needs to be made!!!!



Have you been targeted by SCAMMERS impersonating the ATO?

This is unfortunately a common occurrence these days, whether from the ATO or from anywhere else too!!!

Some SCAMS come via email and some via SMS or even by phone.

Always ask yourself "Is this for real?"

They can appear to be real as the SCAMMERS are good at replicating everything to look REAL.

Look at the email address it came to and look at the email address it came from. The email address can be quite different to the name of the Sender. Look at what they are asking for and question every detail.

If it is about your ATO debt or ATO refund etc, check your previous documents/emails from me and if you are still not sure, email or call me to confirm.

See this ATO link to keep up-to-date on scams involving ATO = [SCAM ALERT](#)

WEBSITE! [www.munkoaccounting.com.au](http://www.munkoaccounting.com.au)

FACEBOOK! <https://www.facebook.com/Munko-Accounting-Taxation-Services-260232207352252/?fref=ts>



GREAT LINKS FOR UNDERSTANDING WHY WE ASK SO MANY QUESTIONS WHEN CALCULATING & INCLUDING YOUR CLAIMS AT TAX RETURN TIME

### LAUNDRY

<https://www.ato.gov.au/Media-centre/Media-releases/Clothing-put-through-the-wringer-this-tax-time/>

### CAR CLAIMS

<https://www.ato.gov.au/individuals/income-and-deductions/deductions-you-can-claim/vehicle-and-travel-expenses/car-expenses/>

### \$20000 INSTANT ASSET WRITE-OFF FOR SMALL BUSINESSES

<https://www.ato.gov.au/business/depreciation-and-capital-expenses-and-allowances/simpler-depreciation-for-small-business/>



ATO are ready to start processing 2018 tax returns from 06.07.18 and first refunds from 17.07.18.....

If you are ready with your documents and details for 2018 earlier than this, email or mail them to Munko Accounting and we will get started on the process for you. A lot of ATO pre-fill information is NOT available until mid-late August (and later too), but if you are sure about your 2018 taxation situation and have all the documents, let's go for it nice and early!

It's a good feeling when you can tick off your tax return.....



and we are here to help you do that!!!



## RENTAL PROPERTY TAX CHANGES EFFECTIVE FROM 01.07.17

Properties purchased after 09.05.17, and NOT new properties, will not be allowed to claim depreciation on assets in the property at the time of purchase, but building capital works deductions will still be allowed.

Rental property owners up to 09.05.17, will be grandfathered from these rules and can continue to claim depreciation AND capital works as per their previous Quantity Surveyor reports and/or depreciation schedules.

New assets purchased for your rental property, are of course allowed to be claimed for depreciation. See this link for more info or call us = [RENTAL](#)

ALSO, travel to your property during the 2017/18 tax year will NOT be allowed to be claimed, unless your rental property is held as a business vs being held as an investment. Check this link = [TRAVEL](#)