

Business Cycle

It seems the economic downturn is now turning into positive territory with all bank reports confirming this. As you know, the good times do not last forever and it is important to make the most of this over the next couple of years. You may wish to spend some of your holiday break working out how to make your own business leaner and more profitable. The value of a business for sale is often based on the profit earned and if you are thinking of selling, now is a good time to maximise its value. Give us a call if you need some help.

Income Tax & GST

Just a reminder that GST returns for the October / November period are due for payment on 15 January 2014. If we calculate your GST, please get the information back to us as soon as possible so we can advise the amount payable. If you have a 31 March balance date, your second provisional tax payment for the 2014 tax year due on 15 January 2014 as well. Tax letters advising you of the amount to pay are currently being sent to you. If you wish to estimate your tax downwards, please let us know as soon as possible.

Changing Times

With the political timeline now only eleven months away from the next election, we do not expect any major tax legislation to unsettle people. However, there are always changes afoot with the objective of collecting more tax.

If you have an overseas pension or superannuation scheme other than in Australia, there is a complex calculation to determine how much of the gain in value of the fund is taxed here. However the cost of sorting it out can often outweigh the benefits. An alternative system is in place where withdrawals from the fund are taxed. Many people are ignoring either method, and an amnesty is in place until 31 March 2014 allowing you to withdraw your entire pension and to pay tax on only 15%. If you are in this position, please give us a call.

If you have a beach property that is rented out for part of the year, a deduction for expenses is now limited to the actual time the place was rented. Previously, a claim could be made for the time it was available for rent. There are also GST factors that also affect this legislation where amendments are being made to fix up previously flawed tax law. However, the fix up legislation is proving to create even more anomalies. If you have one of what is now called "mixed use assets" which are not limited to just beach homes, we suggest giving us a call.

Holiday Break

A big thank you for your business over the past year and we wish you and your families well for the festive season. Our Christmas holidays start with the office **closing at 5.00 pm on Thursday 19 December 2013**. We will reopen at 9.00 am on Monday 13 January 2014. John is available during this period on 021 0707234.

Drink Driving Tip

We all know someone who has had a brush with the law driving on the way home after a "social session". My friend was out for an evening and had several cocktails followed by some rather nice red wine. Feeling jolly, he still had the sense to know that he may be slightly over the limit. That's when he did something that he had never done before – he took a cab.

Sure enough on the way home there was a police roadblock but since it was a cab they waved it past. He arrived home safely without incident. This was a real surprise, as he had never driven a cab before, didn't know where he got it, and now that it's in his garage, doesn't know what to do with it.
