



JUNE 2021 NEWSLETTER

If you have any question about the following, please discuss with your accountant

Payment Plans with ATO

If you are unable to pay your ATO obligations on time, there is a possibility of setting up a payment plan to pay off your liability in instalments. Payment plans can be arranged for BAS, Tax Return and Superannuation liabilities. There are a few things to consider when setting up these arrangements and what you are paying off your instalments:

- You should always lodge your ATO obligations on time, even if you are unable to pay in full by the due date.
- You need to be up-to-date with all lodgements before a payment plan can be set-up.
- In general, a 10% deposit is required and then weekly or monthly instalments over up to a 2 year period.
- Late lodgement and/or payment on subsequent obligations will result in a default of your payment plan.
- Interest may apply (this depends on your debt amount, the period of arrangement, your annual turnover and past history with other payment plans)

Payment plans are considered by the ATO as a helping hand for cashflow management. It is expected the subsequent lodgements will be paid on time. So it is recommended to make the arrangement with this in mind, keep your repayments to a manageable amount. At Pacific Accounting, we recommend putting funds aside in a saver or holding account each week, to cover your future PAYG, GST Credits and Super. This way when your lodgements are due for payment, the funds should be available to you.

If you need more information or would like us to arrange a plan on your behalf, please contact your accountant.

Changes to Super

From the 1st July 2021 there are some changes coming to Super Contributions.

- Superannuation Guarantee will increase from 9.5% to 10%
- The Superannuation Concessional (before-tax) Cap will increase to \$27,500
- Non-Concessional (after-tax) contribution caps to increase to \$110,000
- In response to the Coronavirus pandemic, the government reduce the superannuation minimum drawdown rates by 50%, this has now been extended to include 21/22 income year

Some key proposed changes announced in the 2021 Budget, so are yet to be legislated, are:

- Removal of the \$450 monthly income threshold for Super Guarantee
- Removal of super contribution 'work test' for those aged between 67-74

Fairwork Employer Advisory Service for small business

On 1st July 2021, Fairwork will launch its new free service, Employer Advisory Service (EAS) for small businesses.

The EAS will provide eligible small businesses with tailored written advice on the application of the National Employment Standards, award provisions and other matters relating to pay and employee entitlements. The EAS will give small businesses confidence to understand and comply with their pay and entitlement obligations under the Fair Work Act.

Small businesses may be eligible for free written advice about their employees':

- entitlements under the National Employment Standards
- other pay and employment entitlements.

For more information visit [Fairwork.gov.au](https://www.fairwork.gov.au)

EOFY is fast approaching! Are you ready?

There are a few things to consider in preparing for EOFY including:

- Meet your Superannuation obligations, including paying your June Quarter early
- Pay out director's loans
- Write off Bad Debts
- Manage your deductions – is it time to invest in new equipment, tools or machinery?
- Pay and claim prepayments for certain expenses

For more information you can visit our earlier EOFY Newsletter here:

It's also a great idea to Review, Assess and Plan for the new financial year. Talk to your accountant about planning your Budget for the 2022FY

Spotlight on

Here at Pacific Accounting we pride ourselves on the great relationships we have with our clients. They work hard and do great work in their fields. We celebrate their success and help them through the tough times too. To shine a light on our clients we're happy to introduce our new newsletter regular feature: *Spotlight On*

Spotlight on – Copeland Creative

We love working with Matt at Copeland Creative. Matt is a thoughtful and expert source of ideas who has a focus on executing on time with a great result.

We're a small web design and development studio based in Zetland in inner Sydney. We love designing and developing websites that are simple, beautiful and effective. Our clients benefit from the excellent result we deliver at reasonable rates. – Matt Copeland

You can visit them here: [Copeland Creative](https://www.copelandcreative.com.au)

June Key Dates

14 June

- Public Holiday

21 June

- May monthly activity statement lodgement & payment due

25 June

- Lodge and pay 2021 Fringe Benefit Tax annual return for those lodging electronically

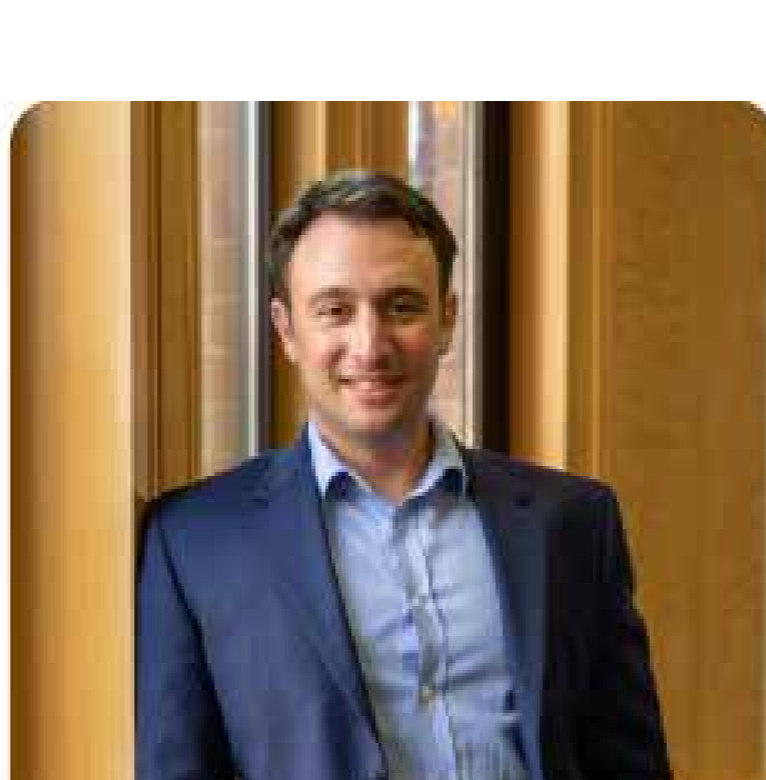
30 June

- Super guarantee contributions must be paid by this date to qualify for a tax deduction in 20/21FY



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