



TAX PLANNING TIPS – BEFORE 30 JUNE 2008

To minimise the tax payable on taxable income, implementation of the following is recommended prior to 30 June 2008:

- if possible defer income from being earned in June 2008 by completing the job in early July, and invoicing in July 2008
- undertake expenditure on repairs and maintenance for any business asset if in need of such attention within the next few months, prior to 30 June 2008
- maximise contributions to superannuation:
 - \$100000 for > 50 years of age
 - \$50000 for < 50 years of age
- self employed persons can claim 100 per cent of contributions into superannuation for the first time
- Loans relating to funds borrowed by directors and shareholders from companies have significant tax implications under Div 7A and S108 of the Income Tax Assessment Act 1936 (Cwlth). It is recommended advice be obtained from your Chartered Accountant prior to 30 June 2008 with regard to these loans
- realise capital losses made in the recent share market downturn to offset actual capital gains made during the year
- maximise tax deductions by accelerating expenditure prior to 30 June 2008
For example - maximise prepayments, such as lease payments, rent, interest, insurance and subscriptions
- accrue expenditure incurred but not yet paid by 30 June 2008
- check with your accountant on the implications of expenditure by STS and non-STS taxpayers.