

News

December 2015

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• MERRY •
Christmas
HAPPY NEW YEAR

Do memories last longer than presents?

It's December! We are heading towards Christmas! As Andy Williams sings, "It's the most wonderful time of the year!"

As the festive season approaches, our thoughts turn to gifts for family and friends. In going through the present selection process this year, I asked myself the following questions: "Do memories last longer than presents? What will those close to me remember about Christmas 2015?" The gift of time is what makes people really feel valued as it seems so hard to find a spare moment in our demanding world. Perhaps this year, it's presence rather than presents!

The end of the year also allows reflection on where we have been, what has improved and what is on the horizon.

Did we make 2015 count the way we thought we would at the start of the year?

The New Year provides us with, figuratively speaking, a clean slate. At the start of a New Year, there is generally excitement about what lies ahead. The 2016 New Year's resolution might be to: "Turn over a new leaf". This could be:

- A new way of doing something
- Changing a behaviour pattern, or
- Beginning a new page or chapter of life

Cheers to a New Year and another chance for us to have another go at getting our resolutions right!

Andrew Evans

We would like to extend our deepest appreciation for your loyalty and support during 2015. We value our relationship and look forward to working with you again in the New Year.

*We wish you and your family and friends, a safe and healthy Christmas.
Merry Christmas!*

General News



Our office will be closed from
**1pm on Wednesday, 23rd
December 2015, until
Monday 4th of January
2016, for the
Christmas break.**

Financial Planning



Our Financial Planner, Chris Papayianis, has been a busy fellow over the last few months. One success story for Chris has been the successful claim he has made for a client who is battling cancer. This was a trauma claim.

Chris approached the task of making the claim with tenacity. Consequently, the client received a payment for just over \$200,000 to assist during the cancer treatment period. At the time, Chris said, "The difference an insurance policy can make in someone's life is astounding and the financial freedom and choices it provides to family in their time of need is truly a tremendous gift to be able to deliver. This is the reason I love what I do." Perhaps 2016 is the year to review your insurances to see that there is, not only cover in place, but it is sufficient to support your lifestyle, should there be a difficult period.

Fringe Benefits Tax & Christmas Parties

With the Christmas season almost upon us, thoughts inevitably turn to Christmas parties and gifts. This is a complex area which often causes confusion.

The Fringe Benefits Tax (FBT), Goods and Services Tax (GST) and income tax consequences have been summarised in the schedule below. Please do not hesitate to contact our office for any clarification.

Event	FBT?	Deduction	Claim GST?
Gift for Employee <\$300	No	Yes	Yes
Gift for Employee >\$300	Yes	Yes	Yes
Party on Premises - Employee	No - regardless of cost	No	No
Party on Premises - Spouse	Only if benefit exceeds \$300	Only if benefit exceeds \$300	Only if benefit exceeds \$300
Party off Premises - Employee	Only if benefit exceeds \$300	Only if benefit exceeds \$300	Only if benefit exceeds \$300
Party off Premises - Spouse	Only if benefit exceeds \$300	Only if benefit exceeds \$300	Only if benefit exceeds \$300

Tips to Help Set Priorities



- 1 Use a paper based, electronic or computerised list to keep track of your tasks, instead of relying on your memory. A list will give you a clear idea of what you need to accomplish.
- 2 Which tasks could you handle another day? If there are no consequences to moving a task forward, move it ahead another day or another week.
- 3 Know the difference between important and urgent. Important means a task needs to be done immediately. Knowing the difference between the two will make prioritising easier.
- 4 Realise that you cannot do everything. This will help you to realistically prioritise your tasks.
- 5 Determine if postponing the task would affect other projects you are working on. Tasks and projects can have a domino effect. If you do one task, yet fail to do another, you may have wasted effort on the first task.



Some Thoughts for 2016

Review your insurances:

Check with your superannuation fund on your current level of life insurance. Is it enough to pay out your mortgage and provide an income for your dependants? If not, consider increasing it.

Consider Income Protection Insurance too, particularly if you have large debts. Remember, Income Protection Insurance pays up to 75% of your gross income, should you become ill or injured.

Check the wait period of your Income Protection and how long the Income Protection is going to be paid to you. If it is only for two years, as occurs in many superannuation funds, perhaps other alternative providers should be examined. Chris Papayianis at our office would be only too happy to help review the adequacy of both your life and income protection.

Remember, the Income Protection taken outside of superannuation, is tax deductible.

Review your Home and Contents Insurance:

You should review your Home and Contents Insurance if you carried out renovations or purchased valuable household goods which would not be covered under your older policy.

Review your Will:

Consider making or updating your Will to reflect any change in circumstances.

Review your Home Loan:

If you have big Home Loan debts, you could consider totally or partly fixing your Home Loan.

Having the Courage of your Convictions

A staggering 62 years ago, a young man walked into a recording booth in Memphis, Tennessee, and changed the course of popular music. Elvis Presley paid \$US4 to record two songs, My Happiness and That's When Your Heartaches Begin. Interestingly, both of these songs were for his mother, Gladys.

Perhaps with the New Year about to commence, it is timely to consider belief in ourselves, and have the courage of our convictions to follow through with our plans for 2016.

Home Office Expenses

Income tax deductions for home office expenses can be claimed if your home is a place of business, or if it is used for income earning activities. This requires evidence of a more-than incidental use of an otherwise private area of the house.

If your home is not a place of business, then your claims are restricted to running expenses only. This may include a portion of your heating, lighting, telephone, electricity consumption, internet expenses and depreciation of equipment.

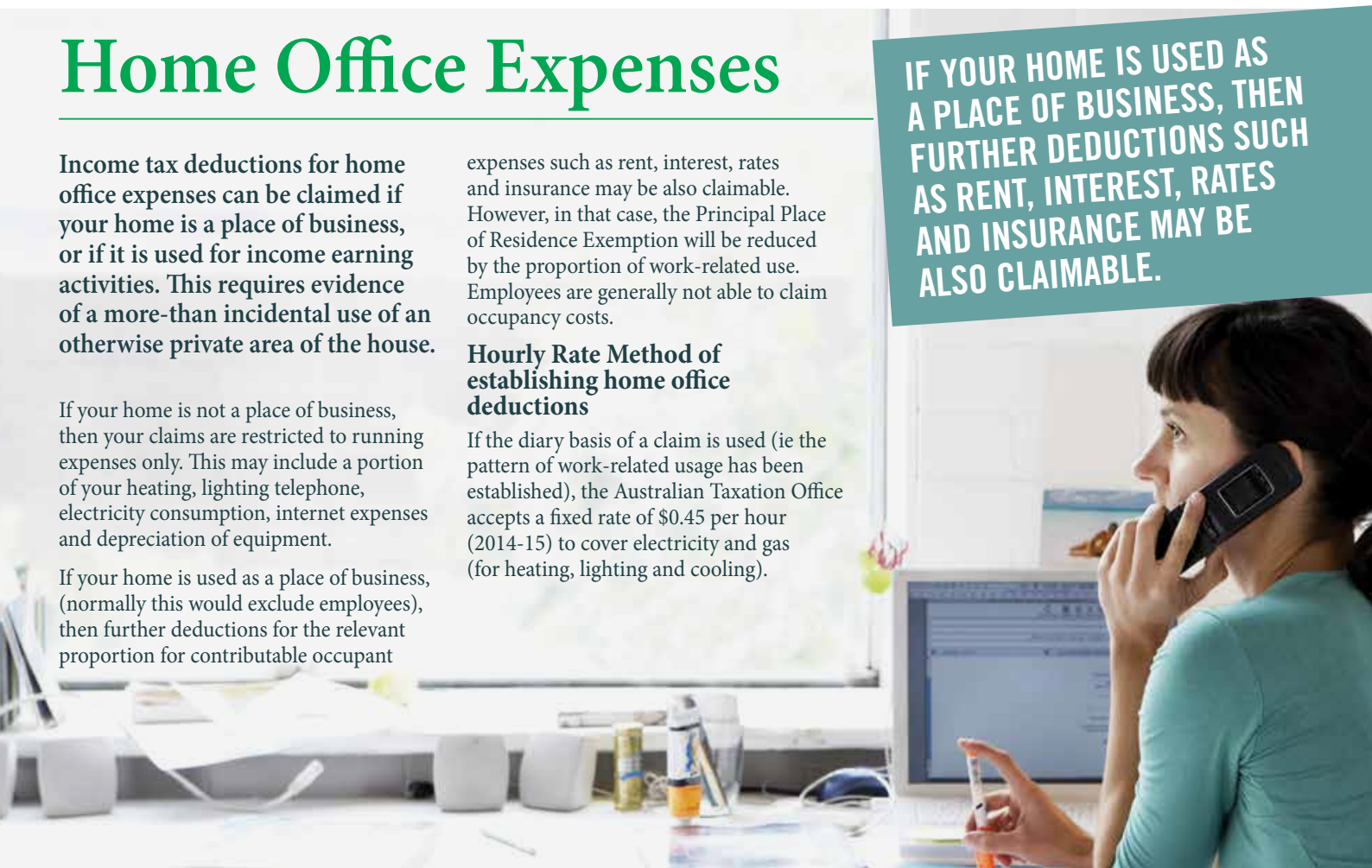
If your home is used as a place of business, (normally this would exclude employees), then further deductions for the relevant proportion for contributable occupant

expenses such as rent, interest, rates and insurance may be also claimable. However, in that case, the Principal Place of Residence Exemption will be reduced by the proportion of work-related use. Employees are generally not able to claim occupancy costs.

Hourly Rate Method of establishing home office deductions

If the diary basis of a claim is used (ie the pattern of work-related usage has been established), the Australian Taxation Office accepts a fixed rate of \$0.45 per hour (2014-15) to cover electricity and gas (for heating, lighting and cooling).

IF YOUR HOME IS USED AS A PLACE OF BUSINESS, THEN FURTHER DEDUCTIONS SUCH AS RENT, INTEREST, RATES AND INSURANCE MAY BE ALSO CLAIMABLE.



General News

Child Protection

MUST READ

When putting a protection plan in place the main focus is naturally to insure against events impacting your own health. But in the case of parents with dependent children, a plan which doesn't address the financial consequences of a serious child illness is incomplete. Caring for a child with severe illness not only causes enormous emotional strain, it can also place severe financial stress on the family.

Statistics show one in 500 Australian Children will develop a cancer before 15 years of age – that's 600 Australian Children every year. Survival rates have increased to 80% but the long term impact of the disease on the child's life is profound.

If your child suffers an insurable event (each provider has their own lists but the most common illnesses are below) a lump sum payment can be made.

- bacterial meningitis
- benign tumour of the brain or spinal cord
- cardiomyopathy
- chronic kidney failure
- deafness
- encephalitis
- loss of limbs or sight
- loss of speech
- major head trauma
- major organ transplant
- cancer
- paralysis
- severe burns
- stroke

Child cover provides financial support should the unforeseen happen to your child and most importantly takes away the financial stress, to provide choices to aid in your child's recovery. Child cover helps families when caring for and supporting sick children. This support makes it more affordable for parents or carers to take time from work to be with their sick children. It can be particularly important for people in regional or country areas who need to travel and relocate close to their children through their treatment and recovery.

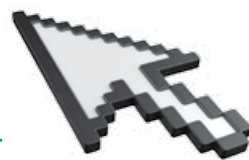
This insurance is available for children aged between 2 and 15 years old.

The cost of cover is minimal at approximately \$1 for every \$1,000 of cover – e.g. \$150,000 cover is approximately \$150 a year but again the difference it could make to your life and that of your child, is significant. If you would like to find out more about protecting your child or children, please do not hesitate to contact Chris Papayianis from our office on 08 8272 2500.

IF YOUR CHILD SUFFERS AN INSURABLE EVENT A LUMP SUM PAYMENT CAN BE MADE.



Dealing With Online Life After Death



Traditionally, we make a Will and think about our tangible assets like a house, bank account and superannuation. Decisions are made about to whom these assets will be left.

Today, consideration also needs to be given to a person's Digital Life. People are now starting to think about what will happen to their email, Facebook, digital photos, LinkedIn profile etc. Anything that has your personal details, leaves you open to identity fraud, which can have consequences for your Estate if people are able to open accounts or financial products in your name.

Following a person's death, efforts now need to be made to identify and close a person's social media profiles.

Interestingly enough, Facebook is tending to the virtual graveyard with a new Legacy Contact Service which has been launched in the US, allowing a user to nominate someone to manage their account when they die. If someone chooses, they may give their Legacy Contact permission to download an archive of the photos, posts and profile information they shared on Facebook. However, the Legacy Contact will not be able to login as the person, or see that person's private messages. Alternatively, people can let Facebook know if they prefer to have their account permanently deleted after death.

Users in the US can activate the Legacy Contact option through their security settings. No date has been set for the feature's release in Australia.

Income Tax Return Assurance Notification



The Australian Taxation Office have implemented a new initiative where letters are sent to clients, via our office, indicating that they are satisfied that income tax obligations for the years 2012, 2013 & 2014 have been met.

The correspondence provides some comfort to clients as a sentence in the letter indicates that, 'we do not intend to make any further enquiries into (your) income tax affairs for these years'.

It is only in the last few months that letters, as part of this new program, have been forwarded to taxpayers.

Lost Superannuation Member Accounts – changes from 31st December 2015

Under new legislation, from 31st December 2015, lost member accounts up to \$4,000 will be paid to the Australian Taxation Office.

This is up from the previous threshold of \$2,000. There will be further increases than this threshold from the 31st of December 2016, to \$6,000. The member is "lost" if:

- No contributions have been received for the member in the last 12 months.
- The superannuation fund cannot contact the member as, either there is no address for the member or the

address is incorrect, due to returned mail, or

- The member is inactive – meaning that they have been a member of an employer plan and no contributions or rollovers have been received into their account in the last five years.

The Government has proposed to amend the lost member definition from the 30th of June 2016, to include inactive personal superannuation members and to exclude members who have contacted the fund electronically (by email, phone or by logging on to their online account).

Superannuation Guarantee

Although the ATO allows an extra month for businesses to lodge their December quarterly BAS (the due date is February 28th regardless of whether you are lodging online, via the Business Portal, by paper or via a Tax Agent/BAS Agent), there is no equivalent on the payment of Superannuation Guarantee.

Superannuation Guarantee for the October-December quarter, is still due 28 days following the end of the quarter ie 28th January 2016. Failure to pay on time may result in you being liable for Superannuation Guarantee Charge. For this reason, if you are closed throughout January, you may wish to consider making the October-December contribution in December, prior to any business holiday closure.

No FBT on Work-Related Electronic Devices

The Government will allow an FBT Exemption for small businesses, with an aggregated turnover of less than \$2 million that provide employees with more than one qualifying work-related portable electronic device, even where the items have substantially similar functions. These changes will take effect from 1 April 2016, ie the start of the 2016-17 FBT year.

MyGov

The Danger of Linking MyGov to the ATO – revisited

In the September issue of this newsletter, we identified the potential problem of linking the ATO to your MyGov account.

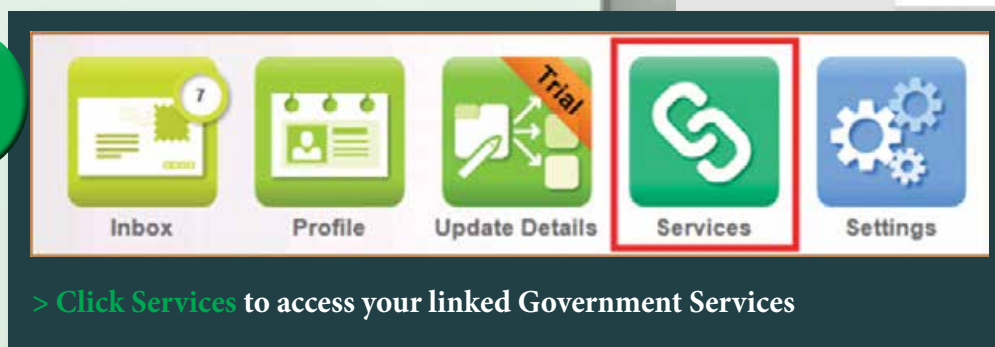
Following on from this article, we have had a number of clients asking for instructions on how to unlink the Australian Taxation Office from their MyGov account.

Below are a series of screenshots which will assist you, should you wish to unlink the Australian Tax Office from your MyGov account. You can access MyGov at www.my.gov.au.

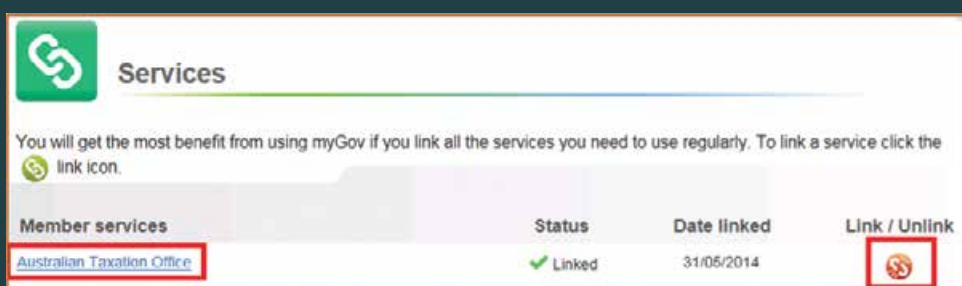
1



2



3



> If you have linked your Australian Taxation Office (ATO) service you will see a red Unlink button on the right side of your screen. **Click the red Unlink button** to unlink the ATO from your MyGov account.

4

You are about to unlink Australian Tax Office from your myGov account.

This will mean you will no longer be able to access Australian Tax Office online services.

It will also mean that any messages in your Inbox from Australian Tax Office will no longer be available. Please ensure you have read, printed or saved any messages in your Inbox before unlinking.

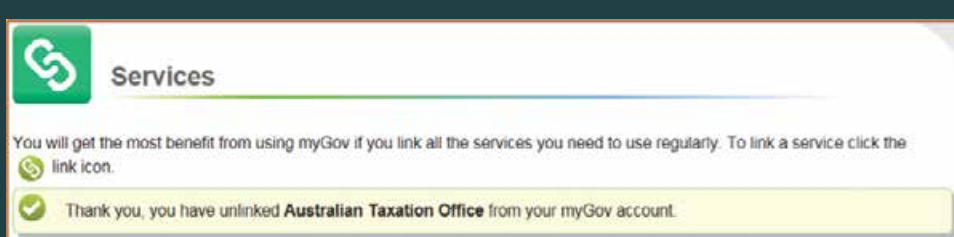
If you would like to continue with unlinking, select next.

Cancel X

Next >

> **Click Next** to confirm you would like to unlink the ATO from your MyGov account.

5



> You should then receive a confirmation that Australian Taxation Office has been unlinked from your MyGov Account.

Immediate Deduction for Start-up Costs



Also before Parliament is a Bill proposing the immediate deduction of a range of expenses associated with starting a new business.

These include professional, legal and accounting advice. These expenses are currently written off over 5 years.

The Bill is also before the House of Representatives and is expected to come into effect in the 2015/2016 income year.

Emergency Services Levy

Owners of properties who are pensioners, people receiving an eligible Centrelink benefit and/or a holder of the Commonwealth Senior Health Card (CSHC) may be eligible for a State Government concession of up to \$46 per year of the ESL calculated on their principal place of residence.

The general remission is available on only one property per person, married couple or domestic partnership, and must constitute the persons'/couples'/partners' principal place of residence. Two or more persons owning land jointly, or as tenants in common (other than a married couple or a domestic partnership) are each eligible for a part remission, proportionate to his or her interest in their principal place of residence.

New Appointments at RJC Evans & Co



Luke Harris



Daniel Palmer



Nathan Jacobs

In July, the Principals of RJC Evans & Co were pleased to announce the addition of three new Principals into the firm.

Luke Harris, Daniel Palmer and Nathan Jacobs have been with RJC Evans & Co since the completion of their University degrees in various capacities.

We are excited that Luke, Nathan and Daniel have decided to be part of the next stage of the RJC Evans & Co business.

IN BRIEF

CHRISTMAS THOUGHTS

Our actions define us more than our words ever will. How would you describe Christmas to someone who had never heard of it?

Congratulations

Congratulations to Hereford producer, Kevin Stark, who has been announced as the 2015 NAB Agribusiness Rising Champion.

The award was handed out in August in the Cattle Council of Australia's Gala Dinner at the National Press Club in Canberra.

The victory provided Kevin with the opportunity to participate in the Five Nations Beef Alliance conference in Mexico.

Kevin is heavily involved in his family's cattle enterprise in Southern Victoria. He has a unique outlook on the industry's future.

After having completed a Bachelor of Aerospace Engineering, and working overseas, Kevin returned to work on his family property. His goal is to increase the genetic capabilities of his stud herd, while maintaining his commercial heard operation.

Kevin is a third generation client of the firm.

The 4 D's

1. Death
2. Divorce
3. Disagreement
4. Dementia

Are you prepared?