



YEAR-END PLANNING AND BEYOND

Tax planning guide for 2022/2023

With 30 June 2023 fast approaching, now is the time to make sure your business and tax affairs are in order.

To help with your year-end tax planning and preparing for the new financial year, we have put together this handy summary of the key issues and recommended actions. Please contact your Pilot advisor for assistance.

BUSINESSES - BEFORE 30 JUNE



PERSONAL EXERTION INCOME

Ensure any profits earned from personal efforts are promptly paid out from the business structure before 30 June.



TRUST DISTRIBUTIONS

Document trust distributions prior to 30 June. Retain some income to limit the ATO review period.



SUPER GUARANTEE

Pay your employee and/or personal concessional superannuation contributions before 30 June to lock in your tax deduction for the current year, or by 23 June if using a clearing house.



FRINGE BENEFITS TAX

Provide employee benefits but no FBT (i.e. only exempt benefits)? Lodge a nil FBT return to limit the ATO review period.



PERSONAL LOANS FROM COMPANIES

Personal loans from Companies need to be addressed and plans put in place to ensure no adverse tax consequences arise.



BAD DEBTS

Review Accounts Receivable ledgers for bad or doubtful debts. Write off debts where appropriate before 30 June to claim a deduction.



TEMPORARY FULL EXPENSING

Write off available for new assets used or installed ready for use by 30 June 2023 (where business turnover is less than \$5 billion).

Businesses with turnover below \$50 million may write off the cost of acquiring second-hand assets. Last chance - this concession ends 30 June 2023.



SKILLS AND TRAINING BOOST*

Consider expenditure incurred on eligible external training courses provided to employees from 29 March 2022 until 30 June 2023.

Calculate the possible deduction of an additional 20% of expenditure (for businesses with aggregated turnover less than \$50 million).



TECHNOLOGY INVESTMENT BOOST*

Consider business expenditure and depreciating assets (up to \$100,000 per income year) that supports digital adoption from 29 March 2022 until 30 June 2023.

Calculate the possible deduction of an additional 20% on the eligible expenditure (where aggregated turnover is less than \$50 million).

*At time of writing, this is not yet law and therefore the additional deduction may not be available.



INDIVIDUALS - BEFORE 30 JUNE



REVISIT RETIREMENT PLANNING & SUPER

Review your wealth structures and ensure they remain appropriate.

If making super contributions or drawing pensions in 2023, ensure they're actioned by 30 June. Minimum pension percentages continue to be half of previous levels in 2023, returning to standard levels from 1 July 2023.



SUPER CONTRIBUTIONS

Consider how the concessional and non-concessional contribution caps may affect your ability to make superannuation contributions (including bring-forward contributions).



SUPER GUARANTEE RATE CHANGES

Review your employment agreements to determine the impact the Superannuation Guarantee percentage increase to 11% from 1 July 2023 may have on take-home pay.



LOSS CARRY BACK

Companies should determine whether they may have made a tax loss in the 2023 year and whether they can "carry-back" those losses and offset these against prior tax paid (in 2019, 2020, 2021 or 2022).



INSTANT ASSET WRITE OFF*

Write off available for eligible assets costing less than \$20,000 used or installed ready for use between 1 July 2023 and 30 June 2024 (where business turnover is less than \$10 million).



EMPLOYERS

Lodge your Single Touch Payroll (STP) finalisation report by 14 July so that your employees can complete their tax returns.

Remember to include fringe benefits provided to employees (if more than \$2,000).



SMALL BUSINESS ENERGY INCENTIVE*

Deduct an additional 20% of certain expenditure that supports electrification and more efficient use of energy up to expenditure of \$100,000 from 1 July 2023 (where aggregated turnover is less than \$50 million).

LEARN MORE

If you have questions or would like assistance with your 2022/2023 business and tax planning, please contact **Kylee Smith, Tom Howard** or your Pilot advisor on (07) 3023 1300 or info@pilotpartners.com.au.

AFTER JUNE 30

*At time of writing, this is not yet law and therefore the additional deduction may not be available.