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2014/2015

# Income Tax Returns

As the financial year draws to a close, Tax Return time is upon us.

Attached is our 2015 Tax Checklist, which is designed to ensure that all your allowable deductions are claimed. If you have any questions please telephone before arranging an interview so that your Return may be completed at the time of interview.

While it is desirable to lodge your Return early, particularly if you are entitled to a refund, its preparation and lodgement may be delayed until approximately May 2016 - provided you are registered with us (prior to 31 October 2015).

It is important that if you make a claim the appropriate documentary evidence must be kept to support it.

Included with the Checklist is a declaration that must be signed, detailing the substantiation requirements etc.

We have also included a Form of General Authority (on the reverse of this letter) to allow us, if needed, to better communicate with various financial institutions and government departments on your behalf.

Please feel free to telephone us prior to 30 June if you would like to discuss any tax saving opportunities that may be available to you.

Should you have any queries please telephone.

Yours sincerely  
ELLCO GROUP



Jason Elliott  
Director



To whom it may concern

## FORM OF GENERAL AUTHORITY

I hereby authorise Elco Group and its representatives as follows:-

1. To communicate with any financial institution in relation to any query, investments held, interest earned, dividends received, distributions received etc.
2. To provide financial information to my financial institution for the purpose of obtaining finance.
3. To communicate with any government department (including the holding and quoting of my Centrelink Customer Reference Number) in relation to any query, benefits received etc.
4. To communicate with the Australian Taxation Office (including the holding and quoting of my Tax File Number or Australian Business Number) in relation to any query, assessment, audit matter etc.

**Date** \_\_\_\_\_

**Signature** \_\_\_\_\_

**Name in Full** \_\_\_\_\_



# Tax Checklist

Please complete amounts where possible and ensure all information is obtained before arranging an interview. Answer all questions by circling either the Yes or No Response

Full Name: \_\_\_\_\_

Tax File Number: \_\_\_\_\_

Job Description: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Home Address: \_\_\_\_\_

Postal Address: \_\_\_\_\_

Current Telephone Contact Number:(day) \_\_\_\_\_ (a/h) \_\_\_\_\_ (mobile) \_\_\_\_\_

Email Address: \_\_\_\_\_

**Tax Refunds are required to be directly credited to your account. Please indicate account details below:**

Financial Institution: \_\_\_\_\_

Account Name: \_\_\_\_\_

BSB No: (must have 6 digits) \_\_\_\_\_ Account No: \_\_\_\_\_

## Attachment Summary

- Payment Summaries (Group Certificate)
- Employment Termination Payment (PAYG Payment Summary)
- Dividend & Trust Distribution Slips (including instruction guides)
- Private Health Insurance Statement
- All documentation re asset purchases & sales (property, shares etc)
- Form of General Authority



07 4639 1399

123 Margaret Street, Toowoomba

## Financial Planning ...

- Maximising after tax investment objectives
- Superannuation and retirement needs
- Financial mentoring for young people just starting out
- Income protection and life insurance

**Gerard Ball** M Fin Plan B Bus, Dip MR AFA  
Financial Adviser

## INCOME


### 1. Salary or wages

Are all PAYG Payment Summaries attached? Yes/No  required

### 2. Allowances, earnings, tips, directors fees etc

Please advise any income (not disclosed on your PAYG Payment Summary) eg tips or other employment income **not** noted on your PAYG Payment Summary Yes/No \$


### 3. Employer lump sum payments

Are full details of Employer Payments attached? eg leave payments **not** noted on your PAYG Payment Summary Yes/No  required


### 4. Employment termination payments (ETP)

Are all Employment Termination Payments attached? Yes/No  required


### 5. Australian Government allowances and payments like newstart, youth allowance and austudy payment

Are all PAYG Payment Summaries for Government allowances attached? Yes/No  required


### 6. Australian Government pensions and allowances

Are PAYG Payment Summaries for Government pensions attached eg age pension, parenting payment for a single person? Yes/No  required


### 7. Australian annuities and superannuation income streams

Are all PAYG Payment Summaries for annuities and superannuation income streams attached eg account based pension payments paid to people under 60 years of age? Yes/No  required

### 8. Australian superannuation lump sum payments

Are all PAYG Payment Summaries for superannuation lump sum payments attached eg lump sum payments paid from superannuation to people under 60 years of age? Yes/No  required

### 9. Attributed personal services income

 **WARNING!** This is income that the government treats as your personal income and income that cannot be split with your spouse and family or retained by a company. This will happen if you are not conducting a genuine business and the ATO intends to treat you like an employee.

Yes/No  required

### 10. Gross Interest


Bank, Building Society, Credit Union Interest etc - details required as follows:- Yes/No

Bank etc	Account Number	Total Interest	Your Share of Interest	Withholding Tax Deducted
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$

### 11. Dividends

Please provide a summary of dividends received eg for each company you own shares. Please provide details of Franked Dividends, Unfranked Dividends and Imputation Credits Received. We like to check your dividend slips!


Yes/No  required (dividend slips)

 **REMEMBER!** Dividends are taxable on "Date Paid" – refer slip

## 12. Employee shares schemes

Attach all employer documentation and guides?


Yes/No

 required

## 13. Partnerships and trusts

Please provide full details of partnership and trust income eg distributions from Managed Funds – we require all documentation including the Tax Guide – most funds report in approximately September each year.

Yes/No

 required (tax statements and guides)



REMEMBER! Trust distributions must be included based on financial year regardless when the cash is received from the Managed Fund.

## DEDUCTIONS

### D1. Work related car expenses



REMEMBER! Work related car expenses do not normally include home to work travel unless you can justify the carrying of very bulky items.



WARNING! If your car is subject to a salary sacrificing arrangement with your employer you will normally not be able to claim car expenses.



WARNING! It is very hard to justify claiming 100% of any car expenses. Can you answer the direct ATO question "Do you have another private vehicle?" or "Have you ever used your vehicle for a private purpose?"

Is your car subject to a novated lease or does your employer pay your car repayments?

Yes

 STOP! No Claim

Describe your car!

Yes/No

Model eg Corolla

Manufacturer eg Toyota

Engine Capacity eg 1.6 ltr (check your manuals or website)

Year of Manufacture

Registration Number

Date Purchased (if during the financial year)

Cost

Date Sold (if during the financial year)

Sale Price

Odometer Readings per Log Book (must be no more than 5 years old)

Yes/No

Opening Reading at 1 July

km

Closing Reading at 30 June

km

Business Percentage

%

Claim

Yes/No


Business kilometres travelled (cents per kilometre method) or

km

Total financing costs

\$

Finance documentation

 required

Fuel and Oil

\$

Repairs and Maintenance

\$

Registration

\$

Insurance

\$

Other Car Expenses


\$

### D2. Work related travel expenses

Reason for claim

Will your employer provide a letter of support?

Yes/No

 be careful!


Provide a full list of expenses eg accommodation, fares, meals etc

Yes/No

\$

**D3. Work related uniform, occupation specific or protective clothing, laundry or dry cleaning expenses**


My clothing is protective eg steel capped boots or overalls Yes/No  
 My clothing is compulsory for all employees at my place of my employment Yes/No  
 My clothing is non-compulsory (but registered by AusIndustry) Yes/No

 **WARNING!** Unless you answered "yes" to one of the above questions then you can not claim any expenses. Simply being required to wear "black" clothing eg MYER employees does not justify a claim.

Drycleaning and laundry expenses Yes/No \$ \_\_\_\_\_  
 Clothing replacement expenses Yes/No \$ \_\_\_\_\_

**D4. Work related self education expenses**

My self education expenses are "precisely" relevant to my current employment Yes/No  
 My self education expenses will "objectively" lead to increase in my current employment income Yes/No  
 My self education expenses are not being incurred to find new employment or open up new employment opportunities with my current employer Yes/No

 **WARNING!** Unless you answered "yes" to all of these questions the ATO will normally consider that your expenses were incurred "too soon" to be deductible or that the expenses do not relate to your current employment but to future employment.

Will your employer provide a letter of support? Yes/No  **be careful!**

Name of Course \_\_\_\_\_  
 Course Provider \_\_\_\_\_  
 Course Fees (excluding HECS, HELP etc) \$ \_\_\_\_\_  
 Text books \$ \_\_\_\_\_  
 Other Expenses \$ \_\_\_\_\_  
 Other Expenses \$ \_\_\_\_\_  
 Child care costs while attending education \$ \_\_\_\_\_  
 Travel  
     Home to education (please complete car details in Item D1) \_\_\_\_\_ km  
     Education to work (please complete car details in Item D1) \_\_\_\_\_ km  
     Work to education (please complete car details in Item D1) \_\_\_\_\_ km  
     Education to home (please complete car details in Item D1) \_\_\_\_\_ km

**D5. Other work related expenses**

Yes/No


Union Fees \$ \_\_\_\_\_  
 Association Fees \$ \_\_\_\_\_  
 Telephone Costs \$ \_\_\_\_\_ Generally you must be on call  
 Stationery \$ \_\_\_\_\_  
 Computer Accessories \$ \_\_\_\_\_ Please provide private %  
 Internet Costs \$ \_\_\_\_\_ Please provide private %  
 Professional Journals \$ \_\_\_\_\_  
 Seminar Fees \$ \_\_\_\_\_  
 Conferences \$ \_\_\_\_\_  
 Home Office Use \_\_\_\_\_ Number of hours for year hours p.a.  
 Other work related expenses \$ \_\_\_\_\_ Description  
 Other work related expenses \$ \_\_\_\_\_ Description



## D6. Low value pool deductions

Provide a full list of tools, equipment (inc computers) purchased - for each item we require

Yes/No

 required

Description

Date

Private Use Percentage per Diary eg for Computers

Amount

		/ /
		%
		\$




REMEMBER! Items costing less than \$300 will be written off immediately, other items will be subject to depreciation.

## D7. Interest

Please provide details of interest paid in relation to investments held eg margin loan interest


Yes/No

 required


## D8. Dividend Deductions

Please provide details of deductions against your dividend income eg advice subscriptions

Yes/No

 required

## D9. Gifts or donations

 WARNING! Must be to Deductible Gift Recipients (DGR's), you must have receipts – the purchase of Lottery Tickets are not deductible eg Boys Town Lottery. Gifts to churches and schools are usually only deductible if given to an approved building fund.

Yes/No

Gift or donation to

\$

Gift or donation to

\$

Gift or donation to

\$

## D10. Cost of managing tax affairs

Tax Agent Fees paid to

Yes/No

\$

Travel to Tax Agent (please complete car details in Item D1)

km

## FOREIGN INCOME



REMEMBER! Foreign employment income is now subject to Australian Taxation. Unless the foreign employment is in relation to Australian Official Development Assistance (Australian Aid), Disaster Relief Employment or Defence and Security Personnel. Further a foreign income exemption only applies if the period of service is at least 91 days.

Foreign Employment  
Income

Description

Yes/No

\$AUD

Foreign Employment Tax  
Paid

Description

Yes/No

\$AUD

Deductions against foreign  
employment income

Description

Yes/No

\$AUD

Other Foreign Income

Description

Yes/No

\$AUD

## SUPERANNUATION



REMEMBER! To claim superannuation your employment income must not exceed 10% of your adjusted taxable income (ie you are then considered to be employer supported). Further, you must have written acknowledgement from the superannuation fund prior to making the claim.

Name of Fund

Yes/No

Your Account Number

A/c

Your Superannuation Fund's Australian Business Number

ABN

Your Superannuation Fund's Tax File Number

TFN

Amount Contributed


\$

Amount Contributed for low income spouse

\$

## OTHER DEDUCTIONS


For example Sickness and Accident Insurance or deduction not listed else where


 **WARNING!** You can not claim life, trauma, health, disablement insurances.

Yes/No

Description of deduction	_____	\$	_____
Description of deduction	_____	\$	_____
Description of deduction	_____	\$	_____

## CAPITAL GAINS TAX

 **REMEMBER!** If you sold shares or property you may have an obligation to pay Capital Gains Tax. Please provide full details. Never assume a sale is exempt from Capital Gains Tax. For example, backyard subdivisions, sale of your home that was once income producing etc. Also an asset sold on a contract dated June with settlement in July is subject to tax in the earlier year.

 required

Description	_____	Yes/No	
Date of Purchase Contract (not settlement date)			/ /
Cost (including legals, stamp duty etc – provide full list including settlement statement)			
Date of Sale Contract (not settlement date)			/ /
Sale Price (after legals, agent's commission etc – provide full list including settlement statement)			

## FAMILY INFORMATION

**Spouse** (do not include if separated prior to the beginning of the financial year)

Yes/No

Name

Date of Birth	_____	/	/
Spouse's Sex		Male / Female	
Tax File Number		TFN	
Centrelink Customer Reference Number (CRN)		CRN	
Date Married or De facto (if this occurred during the financial year)		/	/
Date Separated (if this occurred during the financial year)		/	/
Spouse's Taxable Income		\$	_____
Spouse's Reportable Fringe Benefits		\$	_____
Spouse's Net Financial Investment Losses		\$	_____
Spouse's Net Rental Losses		\$	_____
Spouse's Child Support Paid		\$	_____

## Children

Name	Date of Birth	Income	Full Care	Shared Care %
	/ /	\$	Yes/No	%
	/ /	\$	Yes/No	%
	/ /	\$	Yes/No	%
	/ /	\$	Yes/No	%


## HIGHER EDUCATION LOAN PROGRAM (HELP) – formerly HECS

Yes/No

The amount to be repaid to the Australian Taxation Office (plus Semester One) \$ \_\_\_\_\_

## PRIVATE HEALTH CARE

Please attach the statement from your health fund


 required



## TAX OFFSETS AND REFUNDS

<b>Zone</b>	<b>Area</b>	<b>Yes/No</b>
From Date	_____	/ /
To Date	_____	/ /

### Net Medical Expenses exceeding \$2,218

 **WARNING!** Cosmetic procedures are generally excluded. Also generally medical expenses (including chiropractic and physiotherapy) must be incurred at the direction or prescription of a medical practitioner. Accordingly, vitamins and other natural therapies are usually excluded.

Yes/No

Do these medical expenses only relate to disability aids, attendant care or aged care? Yes/No

Gross Medical Expenses Incurred (excluding cosmetic procedures)

\$


Refunds from Medicare and Health Funds

less

(\$ \_\_\_\_\_ )

Net Medical Expenses – must exceed \$2,218


\$

 **WARNING!** Taxpayers with an adjusted taxable income above \$90,000 for singles and \$180,000 for couples will only be able to claim a reimbursement of 10% for eligible out of pocket expenses incurred in excess of \$5,233.

NOTE: If you were not eligible for the net medical expenses tax offset in the 2014 financial year, you will no longer be able to claim for out of pocket expenses.

## RENTAL PROPERTY

 **WARNING!** You must include Australian and Foreign Rental Properties

 **REMEMBER!** Please do not split income and expenses – this will happen automatically

### General Information

Address \_\_\_\_\_

Contract date of purchase

/ /

Date first earned rental income

/ /

Period rented during year

from date

/ /

to date

/ /

### Ownership of Property

Name \_\_\_\_\_

% Ownership

%


Name \_\_\_\_\_

% Ownership


%

### New Property or Newly Rented Property


Attach all solicitor documentation (including contract and settlement letter)

 required

Attach all bank documentation (including borrowing establishment costs)

 required

Attach either a costed list of fixtures and fittings or a quantity surveyor's report

 required


### Private Use

Percentage of private use

%

### Building Write Off (construction commenced after 18 July 1985)

Attach a quantity surveyor's report **or**

 required

Date construction commenced

/ /


Date construction completed

/ /


Total cost of construction (excluding clearing, demolition and landscaping costs)

\$

## Income

 REMEMBER! Please remember to attach Real Estate Agent Rental Statements

Gross rent received (before Agent's Commissions etc)

 required

\$

Other rental income received

\$

## Expenses

Advertising for tenants

\$

Agents fees and letting fees

\$

Bank charges

\$


Body corporate fees

\$

Borrowing expenses

\$

Borrowing expenses documentation

 required

Cleaning

\$

Council rates

\$

Gardening and lawn mowing

\$


Insurance

\$

Interest

\$

For a dual purpose or split loan we require full documentation to apportion interest

 required


Land tax

\$

Legal fees

\$

Please provide full details

 required

Pest control

\$

Repairs and maintenance

\$

 REMEMBER! Full fit outs or replacement fittings etc will need to be depreciated – see below

Building

\$

Fixtures & fittings

\$

Stationery, Telephone and Postage

Travel to inspect - kilometres travelled to inspect (please complete car details in Item D1)

km

Travel other (include details)

\$

Water access charges and rates

\$


Sundry rental expenses

\$

## Capital Expenditure and Replacement Fittings (eg new fittings)

Provide a full list of items purchased - for each item we require

Yes/No

 required

Description

Date

Amount

\$

/ /

\$



## Business Owners

If owned jointly do not split income or expenses - show full amounts

### 1. General

Business Name: \_\_\_\_\_

Date Commenced Business: date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Ownership of Business:

Name: \_\_\_\_\_ Percentage Ownership \_\_\_\_\_ %

Name: \_\_\_\_\_ Percentage Ownership \_\_\_\_\_ %

### 2. Business Income and Expenses

Yes/No

- Attach cashbook records (including computer disks - please advise software **version numbers** and **passwords**)
- Attach copies of Business Activity Statements (inc work papers)
- Attach bank reconciliations
- Attach debtor and creditor lists - please advise amount and GST
- Attach stock take lists (including grain on hand) - exclude GST
- Attach bank loan documentation
- Attach all new lease and hire purchase documentation
- Attach list of bad debts written off - advise any GST component
- Attach list of items of plant and equipment scrapped
- Attach wage and Payment Summary Reconciliation documentation

### 3. Livestock on Hand Summary

Yes/No

CATEGORIES

Opening Livestock on Hand

Purchases

Natural Increases

Sales

Deaths

Rations (taken privately)

Closing Livestock on Hand

	Numbers	Numbers

### SUMMARY OF ACCOUNTANCY FEES (SALARY AND WAGE CLIENTS ONLY)

as at 1 July 2015 (subject to change without notice)

Our fees are calculated on the basis of the time necessarily required to complete the work. Accordingly, the below amounts represent indicative fees only. These costs may increase depending on complexity and the availability of all information at time of interview or at time of preparation.

The time taken to complete the preparation of a simple Tax Return involves approximately two equal parts. Firstly, the time taken at an interview to receive your instructions or to review the information forwarded. Secondly, the time taken to check and finalise the Return, administration time, and electronically lodge the Return. For example, if an interview were conducted for approximately 3/4 of an hour, the total time that is required to complete the Return would be approximately 1 1/2 hours. Our minimum fee for Return preparation is \$200.



2014-2015

# Client Substantiation Declaration

I confirm that you have advised me that I must demonstrate that I have incurred an expense for income producing purposes. In addition, you have advised me of the stringent SUBSTANTIATION legislation I must satisfy in relation to work, car and business travel expenses.

In addition, you have informed me of the need to obtain original receipts and keep them for a minimum of five years from the date my Return is lodged. The receipts must contain the following details:

- (1) name of supplier;
- (2) amount of expense;
- (3) nature of goods and services;
- (4) date of expense;
- (5) the date of the documents.

I understand if receipts do not contain this information I can, at the time of purchase, write the missing details on the receipts.

I understand for some expenses (less than \$200 in total and \$10 per item) receipts may be unattainable (eg photocopy, meters, road tolls) I may keep my own record (diary) with similar details to that above.

Further, if depreciation is being claimed I understand that receipts must be kept for a period of 5 years from when the item was last depreciated not from its date of purchase.

## Penalties to apply with incorrect Returns

You have also advised me that additional tax, penalties, interest and possible prosecution action may be taken against me by the Australian Taxation Office if I provide details which lead to an incorrect Tax Return being lodged.

## Income from sources in and out of Australia for the year of income

You have advised me that as an Australian resident I must declare income from all sources, in and out of Australia, including net capital gains received for the year of income in my Tax Return. This could include a gain made from the sale of an asset received as part of an inheritance.

## Apportionment

Where items are used for both business and private purposes, eg car, mobile telephone, home telephone, computer, library etc, I advise I have records to verify my business usage claim (eg a diary for say one month). In addition, my employer will verify that it was necessary to incur such expenditure in earning my assessable income. Further, I have instructed you to prepare the Return based on specific instructions on the understanding I will be able to produce such information to the satisfaction of the Australian Taxation Office in an audit situation.

## Audit Matters

I further confirm that:

- (i) I am aware of the procedures to follow if a document is lost or destroyed; and
- (ii) I may be required to verify any income or expense item noted in my Return in the event of an audit; and
- (iii) I understand the Substantiation Schedule I should complete for all work, car and travel expense claims under self-assessment; and
- (iv) I have read and understood the Return prepared for me.

## I declare that:

- (a) I have disclosed and you have returned all of the income, including net capital gains which I have earned/received for the income year; and
- (b) all income declared, claims for deductions and tax offsets/rebates which included in my Return are based on my specific instructions and advise that I satisfy the relevant requirements; and
- (c) I confirm that I have all receipts or documentation necessary to substantiate the above claims and I will make them available if required by the Australian Taxation Office; and
- (d) you have clarified what written evidence (including car/travel records) will be required during an audit and penalties (including prosecution) that may be applied if incorrect claims are identified in an audit situation.

Date \_\_\_\_\_

Signature \_\_\_\_\_

Name in Full \_\_\_\_\_