

Lao Pollock & Co

Certified Practising Accountants
Registered Tax Agents



LAO POLLOCK & CO

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OUR SERVICES:
Specialist Taxation Advice
and Compliance

Accounting
Administration
Information Management

Lao Pollock & Co is a CPA
Practice.

Registered Tax Agent

Our firm specialises in the provision of quality taxation compliance and advice services to individuals and small business. Most of our clients engage our firm in compliance work (preparation of tax returns), and we also take instruction from clients and professionals (eg. solicitors, trustees and executors) in providing opinion relating to more complex tax matters.

We also engage in accounting and administration services for clients.

TAX MATTERS NEWSLETTER

Thank you for taking the time to read our Tax Practice Newsletter.

Please feel free to hand our Newsletter to a friend, relative or associate.

"HOT TOPIC" -

Tax time 2015 !

If you are currently in the process of lodging your own tax return for 2015, or beginning to compile your paperwork to present to us in order to have your tax return prepared, the following points may assist you for tax time 2015.

-Medical expense offset, phased out:

Out of pocket medical expenses can only be claimed, if you received an offset in 2014 or if you have aged care costs or disability expenses.

- Centrelink Payment Summaries:

Statements are no longer mailed to clients. As your tax agent, we will have access to your income details from the tax office portal.

-Private Health Insurance Statement:

If you hold Private Health Insurance, please include all details supplied to you by your health fund. This will ensure you receive the correct government health fund rebate. For high income earners, a medicare surcharge applies if no private health cover has been set in place.

- Disposal of Assets:

Review your investment holdings to ensure any sales are reflected in your tax return (for assets purchased since the introduction of capital gain tax on 19/9/1985).

-Income cross matching:

The Tax Office now has more information supplied to them in relation to both local and overseas transactions. Don't risk non disclosure.

-Spouse Rebate abolished

A spouse rebate no longer applies.

DID YOU KNOW?

AGED CARE – post 1 July 2014

A number of changes have taken effect for new entrants in aged care facilities after 1 July 2014. One key change was not to differentiate between "low level" care

(Hostel accommodation) and high level care (Nursing Home accommodation). In the past a lump sum Accommodation Bond

only applied to Hostel care and a daily nursing care fee applied for high level care ie. no lump sum payment applied to nursing homes. From 1 July 2014 all new entrants may be subject to the payment of

a lump sum Refundable Accommodation Deposit (RAD). The RAD maybe paid either as a lump sum or a daily fee, known as a "Daily Accommodation Payment" (DAP) A combination of the two payment methods

can also be set in place. A number of strategies and options apply as a consequence, for example if the RAD is partly paid as a lump sum and the remainder paid as a DAP, at the same time

as also renting out the family home, **the net rental income from the rental property is not assessed as income for both Centrelink and Aged Care means testing purpose.**

DID YOU KNOW, whilst income is excluded from the above means testing, the net rental income is still TAXABLE INCOME for taxation purpose!

Land Tax issues may also be applicable.

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PRACTICE MATTERS

CLIENT REFERRALS

Please do not hesitate in mentioning either Catherine or Carl to your friends if they are seeking assistance with a tax matter.

PLEASE REFER TO OUR WEBSITE FOR MORE INFORMATION

CONTACT

Please call Catherine Pollock or Carl Lao on 9633 9220 for assistance with your tax matter.

Disclaimer

Liability limited by a scheme approved under Professional Standards Legislation.
The content of this newsletter is general tax advice only and not specific personal advice.