WINTER NEWSLETTER

figtree

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June 2025

Tax time toolkit for individuals: common work-related deductions & record keeping

The following links contain guides for common deductions.

Use these to access the summary of common work-related expenses & record keeping requirements online.

To claim a deduction for a work-related expense:

- You must have spent the money yourself and weren't reimbursed.
- The expense must directly relate to earning your income.
- You must have a record to prove it.

Car expenses

Clothing and laundry expenses (including footwear)

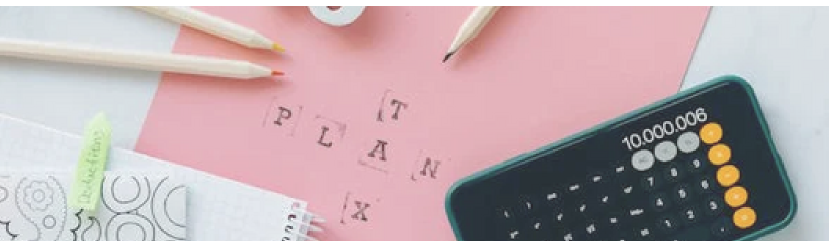
Gifts and donations

Record keeping

Self-education expenses

Overnight travel expenses

Working from home deduction



Important Due Dates

10 July 2025

- Please check your myGov account for your next PAYG Instalment - Payment due 28 July 2025

14 July 2025

- Finalise STP

21 July 2025

- Payroll Tax Annual Reconciliation
- 2024-25 Tax appointments are officially open.

Please note there is a fee increase for salary returns as of 1 July 2025.

11 August 2025

- Please send in your June 2025 BAS information prior this date

28 August 2025

- Superannuation Guarantee Contributions
- Taxable payment annual report (TPAR)

28 October 2025

- Superannuation Guarantee Contributions
- Please send in your September 2025 BAS information prior to this date

31 October 2025

- First due date for individuals & sole traders tax returns - if you're unsure if this applies to you please check your MyGov.

Appointments for 2024–25 Income Tax Returns are filling fast. Call our office on 02 4324 5544 as soon as possible to secure yo

Transforming your experience of accounting and financial advice

2026 FY STAY AHEAD OF LODGMENT DEADLINES & AVOID ATO PENALTIES

Staying aware of tax lodgment deadlines is crucial for compliance and avoiding penalties.
Here are key dates to remember:

Individual & Sole Trader Tax Returns

31 October 2025

for individual tax returns. If you lodge through Figtree Group, you may be eligible for an extended deadline.

Quarterly Lodgments

28 October 2025

Quarter 1 (July 2025 – September 2025)Business Activity Statements, Instalment Activity Statements & Superannuation Guarantee (SG) Payments

28 January 2026

Quarter 2 (October 2025 – December 2025)Superannuation Guarantee (SG) Payments

28 February 2026

Quarter 2 (October 2025 – December 2025) Business Activity Statements & Instalment Activity Statements

28 April 2026

Quarter 3 (January 2026 – March 2026) Business Activity Statements, Instalment Activity Statements & Superannuation Guarantee (SG) Payments

28 July 2026

Quarter 4 (April 2026 –June 2026) Business Activity Statements, Instalment Activity Statements & Superannuation Guarantee (SG) Payments

Failure to make Superannuation Guarantee (SG) payments on time can result in the Superannuation Guarantee Charge (SGC), which includes additional penalties and interest.

The ATO is cracking down

The ATO is tightening enforcement of tax compliance, particularly regarding late lodgments, increasing the risk of penalties and interest for businesses and individuals.

Penalties for late lodgment (Failure to Lodge - FTL) vary by business size and how late the lodgment is, and increase every 28 days, with a maximum of five penalty units. As of July 1, 2024, each unit is $313, leading to significant potential fines:

- Individuals and Small Entities (annual turnover under $10M): $313 per 28 days (max $1,565)
- Medium Entities (turnover $10M-$100M): $626 per 28 days (max $3,130)
- Large Entities (turnover over $100M): $1,565 per 28 days (max $7,825)

Meet Your Team

What inspired you to pursue the career you have today?

I've always had a knack for numbers, but what really inspired me was seeing how good financial advice can make a real difference in people's lives. Knowing I could help others gain peace of mind and confidence about their future made this career feel meaningful. Plus, I enjoy the challenge of solving problems and building long-term relationships along the way.

What's your background in your current career, and how long have you been with Figtree?

I've been working in accounting and financial planning for over 20 years now. I started with Figtree back in 2005 when the office was still in Pt Clare (or Ourimbah, whichever fits best!). It's been great to see how much the business has grown and evolved since those early days, and I'm proud to have been part of the journey.

What's the best advice you can give to someone just starting out in their career?

Find something you truly enjoy doing—because as the saying goes, "If you do something you love, you'll never have to work a day in your life." Be curious, stay open to learning, and don't be afraid to make mistakes. Your career is a journey, and loving what you do makes all the difference.

Dan Snelson

Director & Financial Advisor

What are your interests outside of work?

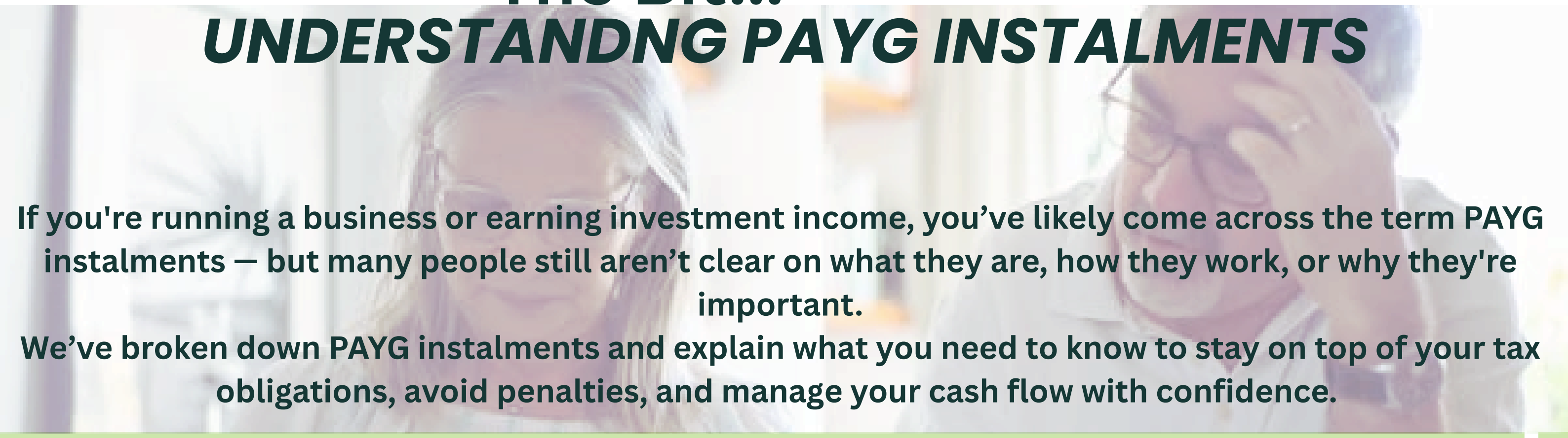
I'm a proud thrill-seeker—at least when it comes to the kids' bug rollercoaster at my favourite theme park, Aussie World. Nothing gets the adrenaline pumping like going 5 km/h while gripping the safety bar for dear life!

I also love spending time with my family, pretending I'm brave enough for the big rides while secretly cheering on the little ones. Beyond that, I enjoy playing golf and watching soccer—whether it's Manchester United, the Central Coast Mariners, or cheering on my sons' teams, the Gosford Dragons and Central Coast United.

If you couldn't go for The Central Coast Mariners, which A-League team would you go for?

Having been a Mariners fan since the very beginning, I couldn't imagine switching to anyone else. Some things—like loyalty—are just non-negotiable!

The Bit...
UNDERSTANDNG PAYG INSTALMENTS



If you're running a business or earning investment income, you've likely come across the term PAYG instalments — but many people still aren't clear on what they are, how they work, or why they're important.
We've broken down PAYG instalments and explain what you need to know to stay on top of your tax obligations, avoid penalties, and manage your cash flow with confidence.

What are PAYG instalments?
PAYG (Pay As You Go) instalments are regular pre-payments of your tax, made throughout the financial year. They're designed to help individuals and businesses avoid a big tax bill at the end of the year, by splitting the bill into smaller payments throughout the year.

The system applies if you earn income that hasn't had tax withheld — for example:
- Business income (as a sole trader, company, or trust).
- Investment income (such as rent, dividends, or interest).

Instead of paying your full tax bill at tax time, you pay portions in advance, based on the income you earned last year.

How do you know if you're in the PAYG system?
You're automatically enrolled into the system based on your tax return. The ATO will notify you if you've entered the PAYG instalment system. This typically happens after you lodge your tax return, and the ATO determines that your income meets the threshold for PAYG.
The ATO automatically adds people to the PAYG system if:
- Your business or investment income is over $4,000 (individuals).
- You had at least $1,000 in tax payable on your last return.
- You're not already paying enough tax via PAYG withholding (like employee wages).

If you're unsure, check your myGov account, or speak with us — we can check your ATO account and confirm your PAYG status.

How are PAYG instalments calculated?
The ATO uses your reported income from your last lodged tax return to estimate your likely tax bill and then splits it into quarterly payments.
This is helpful, but not always perfect. If your income has changed — up or down — you can vary your PAYG instalment to suit your current situation. You must lodge the variation before the due date of the instalment. Once the deadline passes, the amount is locked in — even if your actual income is lower than expected. Also, varying too low without reasonable basis may result in interest charges or penalties.

When are PAYG instalments due?
You usually need to pay quarterly on or by the 28th of July, October, January, and April. It's essential to make your payment on time — missing a deadline can result in interest charges or penalties from the ATO.

Where to find your PAYG instalment notice.
The ATO won't always send you a letter in the mail. If you're an individual or sole trader, your PAYG instalment notices will appear in your myGov account, under your linked ATO services. You must check your myGov inbox each quarter. If you don't, you could easily miss a payment date — and that could cost you.
If you run a business and use a tax agent or BAS agent, the notice can also be accessed through your business portal or agent's portal.

Opting out of PAYG instalments.
Once you're in PAYG instalments you can not opt out. However, if your business or investment income has dropped below the ATO's threshold and is not expected to return to that level. You or your Accountant can request to be removed to the ATO, and if they accept it, you may be taken out of the system. Alternatively, if your next tax return shows income below the threshold, the ATO may automatically remove you.

The bottom line.
PAYG instalments help smooth out your tax payments across the year — but they only work if you stay on top of the due dates, check your myGov notifications, and update your payment amounts if your income changes.

End of Financial Year Ready?

EOFY Checklist for Individuals

Before 30 June

- Make any final super contributions if you plan to claim a deduction.
- Donate to registered charities if you intend to claim them.
- Organise and review all work-related expense records.
- Finalise any investment asset sales to manage capital gains or losses.
- Review your private health cover if relevant to the Medicare Levy Surcharge.

1 July – 14 July

- Employers, banks, and other institutions send data to the ATO.
- Wait until your income statement in MyGov is marked as "tax ready."

Mid-July – 31 October

- Lodge your tax return.
- If using a tax agent, ensure you are registered with them by 31 October.

After Lodging

- Keep all receipts, records, and documentation for five years.
- Monitor your myGov for your notice of assessment and any tax refund or payment obligations

It's important property owners understand land tax to help make informed decisions.

For an easier explanation, a new fact sheet is available that provides an overview of:

- what land tax is
- who pays it
- how it is calculated
- surcharge land tax
- how to lodge a land tax return

Land Tax Fact Sheet link here.

EOFY Accounting Checklist for business

6-8 Weeks before EOFY

1. Reconcile Accounts
   - Reconcile all bank accounts and credit card statements.
   - Match supplier and customer statements with your records.
   - Check and reconcile petty cash balances.
2. Review Financial Statements
   - Prepare and review the Profit & Loss statement.
   - Prepare and review the Balance Sheet.
   - Review the Cash Flow statement for accuracy.

4-6 Weeks before EOFY

3. Finalize Payroll and Superannuation
   - Confirm all employee payroll records are complete.
   - Ensure superannuation contributions are made for the full financial year.
   - Reconcile PAYG withholding amounts and report if required.

2-4 Weeks before EOFY

4. Adjustments and Provisions
   - Review accounts receivable for bad debts; write off uncollectible debts.
   - Accrue any outstanding expenses or income not yet recorded.
   - Adjust prepaid expenses and deferred income.
   - Review depreciation schedules and update asset values.

1-2 Weeks before EOFY

5. Tax Preparation
   - Gather all invoices, receipts, and expense documents.
   - Organize and categorize deductible expenses.
   - Prepare and lodge the Business Activity Statement (BAS).
   - Prepare for income tax return – collate relevant documents for your accountant.
6. Inventory and Asset Management
   - Conduct physical inventory counts and reconcile with accounting records.
   - Review fixed asset register and record any disposals or purchases.

After EOFY (within 3 months)

7. Backup and Documentation
   - Work with your accountant to provide all documents needed to prepare &lodge your return
   - Backup all accounting files and financial data.
   - Organize financial records and store backups securely (physical and digital).
8. Plan for Next Financial Year
   - Review accounting software setup and update if needed.
   - Set budgets and cash flow forecasts for the upcoming year.
   - Schedule meetings with your accountant/bookkeeper for advice and planning.

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