



# 2009 Tax Return Client Checklist

June 2009

## 2009 - Individual Tax Returns

### Income

- Gross Salary, Wages, Allowances, Benefits, Earnings, Tips and Directors Fees.
- Income from Business Activities.
- PAYG Payment Summaries
- Details of any non-cash benefits received.
- Lump sum and termination payments. All documentation should be provided including an ETP Payment Summary from the employer or fund.
- Government Social Security payments, including pensions, unemployment and sickness benefits.
- Details of any CGT asset sales (e.g. shares and real estate). Please include dates of, and costs associated with, acquisition and disposal. (You can save tax if you qualify for the variety of CGT concessions).
- Annuities, including allocated pensions.
- Income from trusts and partnerships. Statements of distribution should be provided where appropriate.
- Rental income
- Interest and dividends received and any tax deducted. Include details of franked dividends.
- Foreign source (employment and pension) income and details of any foreign tax credits.

### Deductions

- Investment and property expenses (carefully detail interest claims)
- Subscriptions (not including sporting or social clubs).
- Employment related Expenditure such as work-related motor vehicle, self-education, protective clothing and uniform expenses.
- Donations of \$2 and over
- For self-employed persons details of any superannuation contributions made.
- Tax Agent Fees and other accounting/tax audit fees.
- Special deductions (Australian films, investment shelters and agribusiness-type schemes).
- Bank fees (where the credit or deposit represents assessable income).
- Un-recouped prior year losses.

### Rebates

- Details of out of pocket Child Care expenses, being fees paid for approved child care less any Child Care Benefit received.
- Details of private health insurance, unless your premium is net of the rebate.
- Details of superannuation contributions where no tax deduction can be claimed.
- Any changes in dependants (income of spouse should be provided).

- Details of any income received in a lump sum which was accrued in earlier income years (e.g. assessable pensions).
- Net family medical expenses if they exceed \$1500 in total.
- HECS Debt details
- Education Expenses - Details of education expenses including computers, printers USB flash drives, computer repairs, software for educational use, textbooks, stationery and prescribed trade tools. (Excludes school fees, uniform costs, excursions, camps, photos, musical instruments and sporting equipment. The rebate is 50% of eligible education expenses capped at:
  - \$750 for each primary school student giving a maximum rebate of \$375 per child
  - \$1500 for each secondary school student giving a maximum refund of \$750 per child

*Note: Taxpayers with a dependant child (under 21), or qualifying dependant student, should check to see if they are eligible for Family Tax Assistance.*

## Income

- Trading income.
- Other income (e.g. Rent, Interest, Royalties).
- Stock on Hand (and basis of valuation) – note any obsolete stock.
- Work-in-Progress.
- Primary Producer subsidies (if assessable).
- Details of CGT assets (e.g. shares and real estate) sold, including dates of, and costs associated with, acquisition and disposal.
- Dividends, including details of franking credits.
- Income from foreign sources, including details or foreign taxes paid.

## Deductions

- Repairs and maintenance.
- Salaries, including fringe benefits.
- Fringe benefits tax paid.
- Rates, land taxes and insurance premiums.
- Advertising expenses.
- Interest on borrowed monies.
- Deductions relating to foreign-source income.
- Prepaid expenses (subject to transitional rules)
- Retirement payments and golden handshakes.
- Bad debts actually written off during the year.
- Donations of \$2 and over depending on the recipient.
- Commissions.
- Legal expenses.
- Lease documents for motor vehicles, premises and equipment.
- Losses of previous years (or intra-group transfers).

- Superannuation contributions.
- Subscriptions.
- Car expenses (remember to include petrol, repairs and parking and maintain a log book where necessary).
- Tax agent's fees and other accounting and tax audit fees.
- Royalties paid.
- Details of the purpose and destination of any interstate or overseas trip. Expenses must be fully documented where travel involves at least one night away from home. Travel diaries should be included where travel exceeds five nights.
- Research and development expenditure.
- Bank fees (where the credit or deposit represents assessable income).

## Liabilities

- New loans taken out during the year and their purpose, including any new lease or chattel mortgage agreements.
- Statements from the lending authority detailing the opening and closing balances of existing loans during the financial year.
- Provisions for long service and annual leave.
- Creditors at June 30
- Details of loan accounts to directors, shareholders, beneficiaries and partners.
- Accrued expenses (e.g. audit fees, interest payments).
- Commercial debts forgiven.

## Assets

- Details of depreciable assets acquired and/or disposed of

during this income year, including:

- ◊ type of asset;
- ◊ date of acquisition
- ◊ consideration received/paid
- Lease commitments.
- Debtors at June 30
- Commercial debts forgiven.

## Additional Information Required

- Franking account details/movements
- Overseas transactions, exchange gains/losses.
- Private companies – remuneration or loans to directors, shareholders and their relatives.
- Changes to the capital of the company.
- Whether family trust elections have been made in relation to trusts.

## 8 Most Common Errors in Tax Returns

- Omitting Interest Income
- Incorrect or Omitted Dividend Imputation Credits
- Capital Gains/Losses are Incorrect or Omitted
- Understating Income
- Home Office Expenses
- Depreciation on Rental Property Fixtures and Fittings
- Depreciation on Income Producing Buildings
- Borrowing Costs associated with Negative Gearing

Note: To ensure that you obtain the maximum deductions to which you are entitled and in consideration of the penalty provisions. FULL DETAILS of any claim should be provided and supporting documentation made available. For employee taxpayers and for travel and motor vehicle claims by self-employed taxpayers, documentation must be a receipt, tax invoice or similar document which contains certain details. For other taxpayers, documentation may comprise receipts, dockets, diary notations or reasonable and supporting estimates.

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