

# Gorrell Long Robertson

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*Hello Everyone, in the run up to Christmas, we are all working very hard to get your tax refunds to you as quickly as possible. So, meanwhile, please have a read of our newsletter. Always remember, if you have any questions or comments, we'd love to hear them. Best wishes to you all from the Team at GLR.*

## Our New Services – For your Total Financial Solutions

To better meet the needs of our clients and offer the services you tell us what you want, we have become accredited to provide the following extra services for those clients who require it:

**Financial Planning** – We have a new team led by Paschal Leahy and supported by Clare and Allison.

**Personal Insurances** – Income Protection and Life Insurances at competitive prices

**Wills with Power of Attorney** for a fixed price of \$275 for a single and \$440 per couple

**More complex Testamentary Trusts & Estate Plans** from \$1500 to around \$2000.

**Home & Commercial Loans** that may save you \$\$Thousands\$\$ - Ask for an obligation free quote

**Car, Truck & Equipment Finance** to suit your tax situation and at competitive prices from our panel of lenders.

## Update on Pension Assets Test

From 20 September 2007, the Government had generously decreased the Pension Assets Test reduction rate from \$3 per \$1,000 of assets, to only a \$1.50 deduction. This means that now you can still get at least a part pension with assets up to **\$873,500**. Provided, you pass the Income Test of \$68,400 for a couple.

So if your assets or income were too high for the pension before, it is now a good time to reapply to Centrelink.



## Political Donations & Membership

Maybe timely to mention that both Donations and Memberships paid to registered political parties are tax deductible, up to a maximum of \$1500 pa. In case you were wondering. However, there is a bill before parliament to repeal this deduction as from 30 June 2008.

## New Laptop Rules

The double deduction that applied for laptops & other FBT exempt items has been abolished. The new rule is any item purchased from 14 May 2008 must be used primarily for work purposes if it is purchased via salary packaging (FBT free).

## The Education Tax Refund

Will apply from your **2009** tax return. Different levels apply for Primary (\$375) & Secondary students (\$750) and you are entitled to 50% of eligible expenses which include computers, internet connection, education software & textbooks. **Note that School Fees do not apply.** So, it is important to keep receipts for these items for next years tax.

## Home Loans and Commercial Loans

We can now highly recommend an experienced Accredited Loans Specialist. He provides a great service and can get you a great deal on loans from his wide selection of lenders. He will take a lot of the hassle out of the process. New loans or refinancing are all catered for. So if you're in the market for a loan, please, call us. We already have lots of happy clients that have benefitted from this.



**N.B As a Tax Agent client the 31 October Deadline is N/A!!**

### Childcare Rebate – Increasing to 50%

For 2007/8 year the 30% rebate for childcare fees are paid by the FAO (Family Assistance Office) after lodgement of your Tax Return. The rebate is payable up to a maximum of \$4,354 per child for 2007/8. It is not means tested, but the main thing is to make sure you are registered with the FAO. Your Childcare centre should have forms to do this. The different Child Care **Benefit** (CCB) **is** means tested, and will be calculated and also paid by the FAO separately.

See [www.familyassist.gov.au](http://www.familyassist.gov.au)

For 2008/9 year the rebate will increase to 50% or a maximum of \$7,500 per child subject to conditions.

### Rental Property Deductions

Just a reminder about some often missed claims that you can make:

- Travel for inspections and or maintenance, including buying supplies etc. Just record the kilometres travelled.
- Phone calls and stationary
- Landlord Insurance.
- Depreciation on Construction costs if built after 17 July 1985. A Quantity Surveyors report is required.

### Salary Packaging Cars & Finance

Still a great way to save tax and get that new car. However, with the increase in the tax bracket for the top rate to \$180,000 for 2008/9, the benefit of salary packaging is reduced. But, the irony is, if you can also do the Employee Contribution Method (ECM), the benefits are restored.

**We can now also arrange the finance and possibly a fleet buying discount of up to 10%!**

For more details, please contact us.

### MBF & NIB Shares

The legislation has now been passed. These shares issued and or sold, are definitely tax exempt as expected.

### Medical Rebate

A 20% rebate is available on the net medical expenses your family pay per year, over \$1500. Eligible medical expenses include:

- Chemist prescriptions
- Optical costs
- Physiotherapy
- Nursing Hostel Costs (approved facilities).
- Normal Doctor/Hospital costs.
- Dental (including Braces)
- Medical aids (artificial limbs, eyes, hearing aids wheel chairs etc)



### Superannuation

With all the recent changes, we find that some people are still a little confused. Therefore, they are not always making the best decisions to make the most of the tax relief that is available if structured the right way. For example, many people **over 55** may benefit from a Transition to Retirement Pension. It enables you to claim a 15% tax rebate, rather than pay full tax on the same amount of income. If you think this may apply to you, then please contact us. We may be able to save you \$000's of dollars.



### Payroll Services NO payroll tax

Yes, we provide this service. So if you need a company to work through, or already have your company but find wages and administration a time consuming burden, then please call us to discuss the details. You can also check our website for more details.

### NSW Land Tax Reminder

For the 2008 year, the threshold for properties in NSW liable for Land Tax is \$359,000. So if you have rateable land with a value over this amount, then you will need to register. It is not automatic, but if they find you first, penalties will apply. See the website at [www.osr.nsw.gov.au/portal/page](http://www.osr.nsw.gov.au/portal/page)

### How to Survive the "Financial Crisis"

With all the doom & gloom in the media at present, there are a few things you can do to get through this period as best as you can.

- 1) Don't do anything before you talk to your Financial Advisor. If you have one. If not, then we are happy to help.
- 2) If you have a lot of debt, make a plan to pay this down as quick as reasonably possible.
- 3) Beware of increasing debt at this time.
- 4) Get Professional advice before making any major financial decisions.

But probably the main thing to remember is that things will improve again eventually. Hard to believe now, but markets are always a cyclical event.

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### RECEIVING NEWSLETTER BY EMAIL

If you wish to receive this newsletter via email, please email: [admin@gorrellong.com.au](mailto:admin@gorrellong.com.au)

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### LODGING TAX RETURNS

Please bring in your information ASAP if you have not lodged your 2007 and prior tax returns.