

AFS & OAK Magazine

Bringing international business woman Samantha Wills to Bendigo

Last month AFS co-hosted with OAK Magazine an In Conversation event with Samantha Wills.

We took a call from client, friend and business associate Kimberley Furness from OAK Magazine in early February about co-hosting Samantha for her only Victorian book launch to round out her national tour.

We saw this as a great opportunity to be involved in bringing a respected international business woman to Bendigo and co-host an event where the business owners of Bendigo, alongside our own team could listen to her story, appealing to anyone who has the desire to start their own business, currently in business, or wanting to follow their dreams.

Samantha reflected on her business memoir which gives a window into the ups and downs of running a business, taking it from a hobby to a worldwide cult following. She also provided an understanding into the personal journey that goes with being a business owner. It was an excellent behind the scenes insight into starting and running both a brand and a business, saying yes at times and learning to say no at others.

It was a successful evening, a sell out event and so great to be able to host in person. A big thanks to the businesses who contributed items in the goodie bags for the 85 attendees!



April economic update

There was a raft of positive economic news in March, which should make things a little easier when the Federal Budget is handed down on 11 May 2021. The Australian economy staged a remarkable recovery in 2020, growing 3.1% in the December quarter and

3.4% the previous quarter – the biggest six month lift on record – after plunging in the first half year. The main contributor was iron ore, which has doubled in price since March 2020.

As the COVID-19 vaccine rollout began and restrictions eased, business and consumer confidence rebounded. The NAB Business Confidence Index rose to an 11 year high

in February while the ANZ-Roy Morgan Consumer Confidence rating hit a seven year high of 124 points in March, up 30% over the year.

Confidence was reflected in a recent surge in new vehicle sales, housing construction and property values. It was also boosted by a fall in unemployment from 6.4% to an 11 month low of 5.8% in February. Company

profits have also remained strong, with 86% of ASX200 companies reporting a profit in the December half year. Although aggregate earnings fell 17%, dividends were up 5% on a year ago with an estimated \$26 billion flowing to shareholders. The impacts of this will be seen in the coming quarters.

The strengthening economy saw the Australian dollar shed 2c to US76c in March.

COVID-19 support still available for businesses

There are still a number of support options available for businesses who continue to feel the impacts of COVID-19. AFS can help find out if your business is eligible for any of these. Please don't hesitate to contact us. We have simplified the available variety of support below.

Extension of apprenticeship wage subsidy

The Boosting Apprenticeship Commencements program has been extended for 12 months.

Any business or group training organisation that hires an apprentice or trainee between 5 October 2020 and 30 September 2021 may be eligible for a subsidy of 50% of wages.

The subsidy is for a 12 month period from the date of commencement, to a maximum of \$7,000 per quarter. There is no cap on the number of eligible trainees/apprentices under the program.

HOW:

To apply you will need to contact the Australian Apprenticeship Support Network. For full eligibility details and to find out more information [click here](#).

Extension of Digital Adaptation Program

The Digital Adaptation Program has been extended to 30 June 2021 to help more small businesses trial digital products to build digital capability in their day-to-day operations.

Eligible businesses will be able to sign up for one of the six available products with a rebate of up to \$1,200 to access the product for 12 months.

HOW:

To be eligible, businesses must:

- > Operate in Victoria
- > Hold an Australian Business Number (ABN)
- > Have held that ABN on 13 September 2019
- > Be registered for GST on 13 September 2020.

Applications are open until funds are exhausted or 30 June 2021, whichever is earlier.

[Click here](#) for details on the digital products included and to apply.

Grants to help SMEs raise energy efficiency

Two new grants have been introduced to assist small businesses in increasing energy efficiency and therefore reduce costs:

The **Solar for Business Program** will cover up to 50% of the cost of a rooftop solar system, with an eligible rebate of up to \$3,500.

Rebates will be available to businesses operating from non-residential premises with fewer than 20 employees for systems with a capacity up to 30kW.

HOW:

Through the Solar Victoria portal from May 2021. For full details and to register your interest, [click here](#).

In addition, the **Small Business Energy Saver Program** will provide further support to help small businesses install energy efficient equipment.

Bonuses of up to \$2,000 can be used for upgrades to energy efficient work equipment such as air-conditioning, refrigeration and heat pumps.

HOW:

For more information on the Small Business Energy Saver Program and to register your interest, [click here](#).

Free Australian Tourism listing

Visit Victoria are offering free 12 month Australian Tourism Data Warehouse (ATDW) listings for all Victorian tourism businesses (previously \$295) until 30 June 2021.

HOW:

To list your business or event on the ATDW it must meet the following criteria:

- > Operate within Australia
- > Provide a direct experience to the leisure tourist
- > Have physical premises where visitors can access your product or service
- > Fit into one of the following listing categories: Accommodation, Attraction, Food and Drink, Event, Hire, Tour, Transport or General Service.

Tour operators and accommodation providers must provide a current ABN upon registration.

[Click here](#) for more information and to apply.

Deferral of payroll tax

Employers with Victorian payrolls of up to \$10 million, based on their 2019-20 financial year annual reconciliation returns, can defer their 2020-21 payroll tax liability until the 2022 financial year.

This means eligible businesses can pay their 2020-21 payroll tax liability as determined in their 2020-21 annual reconciliation return in four quarterly instalments in the 2021-22 financial year:

- > At least 25% of the 2020-21 liability due 7 September 2021
- > At least 50% of the 2020-21 liability due 7 December 2021
- > At least 75% of the 2020-21 liability due 7 March 2022
- > Any outstanding balance of the 2020-21 liability due 7 June 2022.

HOW:

Businesses must lodge their annual reconciliation return for the 2020-21 financial year by no later than 27 August 2021.

[Click here](#) to find out more.

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Waiver on land transfer (stamp) duty

Victorian residential properties with a dutiable value of up to \$1 million will be eligible for the following land transfer duty waivers:

- > 50% for a transfer of new residential properties
- > 25% for a transfer of established residential properties.

HOW:

To be eligible the purchase must be a residential property with contracts signed before 1 July 2021. The arrangement must be a bona fide purchase for adequate consideration (not a gift).

The State Revenue Office will apply the waiver automatically if all eligibility criteria are met.

[Click here](#) to find out more.

Waiver of liquor licensing fees

A waiver of liquor licencing fees will continue during 2021 in Victoria. Renewal fees have been automatically waived for 11 licensees except those holding a packaged liquor licence.



JobMaker Hiring Credit rules and reporting

The JobMaker Hiring Credit Scheme is an incentive for businesses to employ job seekers aged 16–35.

Unlike the JobKeeper Payment, where the money has to be passed onto your employees, the JobMaker Hiring Credit is a payment that your business gets to keep. Depending on the age of new employees, eligible businesses may be able to receive payments of up to \$200 each week per new employee.

Employer eligibility:

To be eligible for the Scheme, employers must:

- > hold an Australian Business Number (ABN)
- > be up-to-date with their tax lodgement obligations
- > be registered for Pay As You Go (PAYG) withholding
- > be reporting through Single Touch Payroll (STP)
- > have an increase in total employee headcount from 30 September 2020
- > have an increase in payroll compared to the three months prior to 30 September.

Not-for-profit organisations and some deductible gift recipients may also be eligible.

Other conditions:

Businesses that wish to claim the payment for the first JobMaker period must not have claimed any JobKeeper payments starting on or after 12 October 2020.

Employers currently claiming other wage subsidies – including those related to apprentices, trainees, young people and long-term unemployed people – cannot receive the JobMaker subsidy for the same employee.

If you think your business may be eligible, the next step is to determine whether you are employing eligible additional employees.

Employee eligibility:

Generally, the employee needs to:

- > be aged 16–35 when their employment started
- > be employed on or after 7 October 2020 and before 7 October 2021

> have worked or been paid for an average of at least 20 hours per week during the JobMaker period

> have not already provided a JobMaker Hiring Credit employee notice to another current employer

> received a JobSeeker Payment, Parenting Payment or Youth Allowance (except if they were receiving Youth Allowance due to full-time study or as a new apprentice) for at least 28 consecutive days in the 84 days before to starting employment.

Businesses wishing to claim the payment must also demonstrate increases in both in headcount and employee payroll amount.

The first claim period for JobMaker started on 1 February 2021. To claim the payment in the first JobMaker period, your business must register via ATO online services or online services for business by 30 April 2021.

If you have any questions regarding the JobMaker Hiring Credit, or would like assistance registering your business, please get in touch.

Taking advantage of FBT concessions

If you own a small business you can take advantage of Fringe Benefits Tax (FBT) concessions to lower the amount of tax you may need to pay.

The concessions include exemptions for car parking and work-related portable electronic devices.

Car parking

Car parking benefits provided to employees could be exempt if the parking is not provided in a commercial car park and the business satisfies the total income or the turnover test. The business cannot be a government body, listed public company or a subsidiary of a listed public company.

Work-related electronic portable devices

Small businesses can provide their employees with multiple work-related portable electronic devices that have substantially identical functions in the same FBT year, with all devices being exempt from FBT. However, this only applies to devices that are primarily used for work, such as laptops, tablets, calculators, GPS navigations receivers and mobile phones.

Even if your business was not considered a "small business entity" a few years ago, it may be worth a reassessment, because the turnover threshold has recently changed and will soon increase again.



If you have any questions regarding your FBT reporting, please get in touch with our FBT specialist, Samantha Oliver. Call 03 5443 0344 or email FBT@afsbendigo.com.au

Single Touch Payroll options for small employers



Small employers have been exempt from reporting closely held payees through Single Touch Payroll (STP) for the 2019–2020 and 2020–2021 financial years. However, from 1 July 2021 they must begin STP reporting.

For STP purposes, small employers are those with 19 or fewer employees.

A closely held payee is an individual who is directly related to the entity from which they receive a payment. For example:

- > family members of a family business
- > directors or shareholders of a company
- > beneficiaries of a trust.

Small employers must continue to report information about all of their other employees via STP on or before each pay day (the statutory due date).

Options for reporting closely held payees for STP

The Australian Taxation Office (ATO) has now released details of the three options that small employers with closely held payees will have for STP reporting from 1 July 2021:

- > option 1: report actual payments through STP for each pay event
- > option 2: report actual payments through STP quarterly
- > option 3: report a reasonable estimate through STP quarterly – there are a range of details and steps to consider if you use this option.

If your business will need to lodge through STP soon, we can help you find an easy and cost-effective STP solution, or we can lodge on your behalf. Whatever you choose, remember that STP reports can't be lodged through ATO online services and isn't a label on your BAS, so early preparation is necessary.

STP-enabled software

The ATO requested software providers to create free or low cost solution STP software for micro employers (1-4 employees). The requirements of the software include:

- > cost \$10 or less per month
- > take only minutes to complete each payday
- > not require employers to maintain the software.

[Click here](#) to view the ATO's list of available software.

AFS has STP software experts who can assist you with your reporting.
Call us on 03 5443 0344 or email afs@afsbendigo.com.au

Recording your travel with ATO approved logbook apps

If you use your own car for performing work related duties (including a car you lease or hire), you may be able to claim a deduction on your tax return for vehicle expenses.

If the travel was partly private, you can only claim the work related portion of the trip. If you are using someone else's car for work purposes, you may be able to claim the direct costs (such as fuel) as a travel expense.

As the number of Australians making work related car expenses continues to rise, the ATO requires logbooks to be kept. By using a vehicle logbook, your tax deduction claim is based on your car's "business use percentage". Your business use percentage is the percentage of kilometres you travel in your car for business related purposes.

A logbook allows for easy calculation of business use percentage and easily provides evidence to the ATO. The ATO requires that logbooks are maintained for 12 continuous weeks, in which this period should be representative of your travel throughout the year.

If you started to use your car for work related purposes less than 12 weeks before the end of the income year, you can continue to keep a logbook into the next year to ensure it covers the required 12 weeks.

To be valid, your logbook must contain the

following information:

- > when the logbook period ends
- > the car's odometer readings at the start and end of the logbook period
- > the total number of kilometres the car travelled during the logbook period
- > the number of kilometres travelled for each journey recorded in the logbook (if you made two or more journeys in a row on the same day, you can record them as a single journey). You will need to record the:
 - start and finishing times of the journey
 - odometer readings at the start and end of the journey
 - kilometres travelled
 - reason for the journey.
- > the business use percentage for the logbook period.

ATO approved logbook apps

The ATO has created an app which has the ability to use GPS for a logbook, as well as approving a number of logbook and tracking systems which can be used to record work-related travel.

We have provided an extensive list of travel recording systems on our website. You can view these here:

afsbendigo.com.au/insights

If you have any questions in regards to any of the approved logbooks or for further assistance in keeping track of your work related travel, contact our team on **03 5443 0344**.

Superannuation transfer balance cap increase from 1 July 2021



If you're nearing retirement and have a large amount in your transfer balance account, it may be wise to reconsider the timing of your retirement until 1 July 2021 to take advantage of the upcoming pension transfer cap increase from \$1.6 million to \$1.7 million due to indexation.

When you first commence a retirement phase superannuation income stream, your "personal transfer balance cap" is set at the general transfer balance cap for that financial year.

Essentially, the transfer balance cap is a lifetime limit on the total amount of superannuation that you can transfer into retirement phase income streams, including most pensions and annuities, so a larger cap amount means you can have a bit more money in your pocket throughout your retirement.

This cap amount takes into account all retirement phase income streams and retirement phase death benefit income streams, but the age pension and other types of government payments and pensions from foreign superannuation funds don't count towards it.

The ATO has confirmed that when the general transfer balance cap is indexed to \$1.7 million from 1 July 2021, there won't be a single cap that applies to all individuals. Rather, every individual will have their own personal transfer balance cap of between \$1.6 million and \$1.7 million, depending on their circumstances.

If you have any questions about planning your retirement, please give Venture Financial Advisers a call on **03 5434 7600**.

Free counselling support for Bendigo businesses



Be.Bendigo members, partners and their employees are now eligible to access free mental health and wellbeing support for work-related anxiety and distress.

A mental health and wellbeing clinician has joined the Be.Bendigo team, in partnership with EACH and Bendigo Community Health Services.

There is no limit on the number of sessions that can be used by participants.

To gain access to these services, you can sign up as a member of Be.Bendigo [here](#).



World premiere right here in Bendigo

Last month some of our team were lucky enough to be invited to the world premiere of Arena Theatre Company's *Heart VR performance*.

This performance was an interactive Virtual Reality (VR) performance that takes place inside a virtual beating human heart. The isolation and vulnerability latent in the VR environment contrasted with the intimacy and euphoric sensation of interacting with another person inside a human heart.

As part of this experience the team's heart size and heart rate was analysed. The analysis of the hearts were then compared against various animals to determine which closely relates.

The results were:

Josh Griffin – Red kangaroo	Brad Harris – Taurus	Gemma Roberts – Bilby
Jess Pay – Dingo	Rani Madden – Wedge-tailed eagle	Daniel Boucher – Whale

AFS is a proud sponsor of Arena Theatre Company and we were thankful to be able to experience this premiere.



Supporting our community

Zonta Bendigo International Women's Day Dinner

Each year AFS is proud to support Zonta Bendigo through event sponsorship and pro-bono audit services.

In March some of the AFS team and our guests enjoyed a night together for International Women's Day hearing from guest speaker Alexandra Gartmann, CEO Rural Bank, who spoke of her persistent passion in supporting the economic prosperity of rural, regional and remote communities.

AFS insights



All you need to know about the Jobs Victoria Fund

The Jobs Victoria Fund is a wage subsidy of up to \$20,000 for employers who hire eligible job seekers on a permanent or fixed term basis.

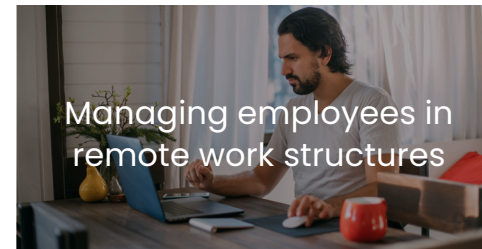
These subsidies can be used towards the costs of taking on new employees for the first 12 months of their employment.



Tax implications of having more than one job

With contract and casual work becoming increasingly common it's no surprise that many Australians may have income from more than one job.

If you are working two or more jobs, you need to be careful to avoid an unexpected end of financial year tax debt.



Managing employees in remote work structures

After a year of working from home for many office workers, we have all had insight into the convenience of working from home and many would like it to continue in the future.

The question for managers is, can these working structures continue to be effective?

To view the blogs in full visit our insights page afsbendigo.com.au/insights



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