



# NEWSLETTER

DECEMBER 2017

## Merry Christmas and Happy New Year from all of the team

From all of us here in the Accountplan team, we'd like to thank you for your support this year. We wish you all a very Merry Christmas and a happy New Year and look forward to working with you in 2018.



### CHRISTMAS CLOSURE DATES

Accountplan will be closed from Friday 22nd December, returning for the new year from Monday 8th January 2018

## A Caravan to Call Home

Whether you're looking for a holiday away from the daily grind or a longer adventure as part of your retirement plans exploring this great southern land is a must.

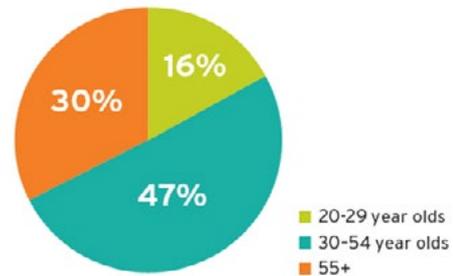
From the aqua blue waters of the Great Barrier Reef to the breathtaking burnt red of our rich, dusty centre, caravanning is a great way to explore Australia.

It's certainly a popular choice. Since 2013 the number of caravans registered in Australia has grown by over a third<sup>1</sup>. And, if you live in Queensland you're more likely to own a caravan than any other state.



And it's not just for the older generation with 30 to 54-year-olds making up 47 percent of the caravan and camping visitor market<sup>2</sup>.

Caravanning by age



### HAPPY CAMPERS

It's no wonder caravanning is becoming more popular. The Caravan Industry Association of Australia's 'Real Richness'<sup>3</sup> study found that Australians who go camping are "more satisfied, happy, optimistic and energised than those who do not go camping". From the study, campers said that camping makes them "more productive, more grounded, more in touch with nature, healthier and gives them the time they need to gather their thoughts. What's more, they are also less stressed, frustrated, bored and lonely."

### INVESTING IN A CARAVAN

If you want to join the caravanning 'scene' and you're thinking of investing in a caravan, you'll want to weigh up the considerations and costs. Many people rent first. It gives you the chance to try before you buy. Then, when you go ahead and buy, you'll know what features to look for.

Buying a caravan is a big investment. Not just because of the upfront cost. You'll need to budget for ongoing maintenance, registration and insurance. And, there's the cost of the holiday itself. Fuel is a major expense and can be much higher in remote areas. There's also the cost of camping fees, activities such as tours and National Park entry fees.

For some, there may be an opportunity to fund your trip by renting out your home while you're away or, if you're going on a longer trip, doing some occasional work along the way.

“The study also revealed that in the past two years, 7.1 million Australians, in various groups of travellers, have gone on a caravanning or camping holiday.”

### GREY NOMADS

'Grey Nomads' is a term used to describe people who are usually retired or taking a career break and travel around Australia. Some take over a year to circumnavigate the country. Or, another popular option is to travel north in winter each year to avoid the cold in the southern states and enjoy some warmth. Even if you're not retired, the Grey Nomads website is a great resource to help plan a trip, look up upcoming events, read blogs and interviews about other people's experiences and information on the destinations they've visited. There's even a classifieds for buying and selling caravans and volunteering opportunities.



So, it's time to stretch those caravanning legs, but where to first? The options are endless. You could drive around the Australian border, criss-cross through the centre or base yourself in one place and plan shorter day trips. Or you could follow specific points of interest, such as wine regions, beaches or historical country towns.

**What are the perks?**

Buying your very own home on wheels has its perks.

- > You can go anywhere you're comfortable to drive.
- > You can leave anytime.
- > Everything can be customised to suit your preferred style of caravanning, such as bigger water tanks or other luxuries.
- > Unlike cars, which depreciate rapidly the second you take ownership, caravans are more likely to retain their value should you decide to sell later on.

So, start making tracks.

Contact your financial planner to help manage your big investments and make your aspirations a reality.

Article sourced from Executive Wealth Management PortfolioWatch®

- 1 Caravan Industry Association of Australia 'Trade registration report' 30 June 2017
- 2 Caravan Industry Association of Australia 'Latest Caravan and Camping Visitor Snapshot' 28 June 2017
- 3 Caravan Industry Association of Australia's 'Real Richness' study. "Camping" included holidays in swags, tents, tent trailers, camper trailers, caravans, campervans, motorhomes and cabin accommodation.

## What's in a Company name?

### AN ASIC REGISTRATION IS NO GUARANTEE

Every business owner understands how critical their trading name is in distinguishing their business, products, services and brand from competitors. What many seem to have lost sight of, however, is how vulnerable that name can be, even if it's registered with ASIC.

The problems begin in the very early days of a business when a trading name is first decided. Many professional advisers and their clients will initially turn to the internet, then a domain search and an ASIC search for available company and business names. The hope is that the first choice is available, and registration can proceed. Unfortunately, that is not the whole story.

Simply put, just because a name is registered with ASIC, it doesn't necessarily entitle you to use it as your trading name.

The reason? ASIC will register any name not considered to be identical to an existing registered name. This means you can register pretty much anything, with only minor differences. A common tactic is to insert "Australia" or add "Enterprise" or something similar, to secure a desired name.

The onus is on the applicant and their adviser to determine if the name they want is one under which they are entitled to trade.

This wasn't always the case. In the past, company and business names had to be significantly different before they could be registered. When the regulator was doing the thinking for everyone, there was more consideration given by applicants to registering new names.

When we pair this change with the DIY-mindset among business owners regarding registration of trading names, domains and trademarks, we see a perfect storm of confusion and potentially very costly infringements.



### RISKY BUSINESS

The risk for businesses is that problems will surface only once they are established, and they could find themselves facing the significant cost and impact of a rebrand or more drastic action.

The issue of trading names has apparently become prevalent enough that ASIC has itself addressed the question "what's in a name?" in its latest newsletter. We're not sure, however, that ASIC's approach in directing applicants to IP Australia for trademark searches is going to reduce the risk of infringement. In our experience, the task of searching and registering trademarks is not for the layperson and should be left to specialists.

This is where advisers play a vital role by having the all-important "name" conversation with clients at the very start of a new venture. By guiding clients through the complexities of searching for, and registering, company and business names, domains and trademarks.

If you have any questions regarding the set up of your business or this article, please feel free to get in touch with us on 3883 8999.

## Secure your children's future education

Giving a child a good education is one of the best things you can do as a parent or grandparent. But what if you weren't around to help make it happen? Fortunately, you can put plans in place in your Will to make sure your children's or grandchildren's inheritance goes towards their education.

Usually, when you die, any inheritance your beneficiaries receive becomes part of their personal assets and are under their control. There's no guarantee that they will use their inheritance for any particular purpose, such as their education. An education fund established through a testamentary trust in your Will is a tax-effective and flexible way to provide for the education of your children or grandchildren.



### CASE STUDY

Rob and Amber have two teenage children who are their beneficiaries. They are worried that, in the event of their deaths, their children will not be mature enough to use their inheritance responsibly. They wish to establish an education fund. As a result, Rob and Amber's Wills state that 40 per cent of their children's inheritances will be held in an education fund with the following terms:

> Until the beneficiary turns 30, their access to the income and capital of the trust is limited to specified purposes, such as:

- education expenses, including HECS liabilities
- hospital and medical expenses
- rent or accommodation charges

> If the children gain a certain level of tertiary education by the age of 30 they are given full control of the trust. If not, the remaining balance of the education fund will be given to charities as chosen by Rob and Amber. An education fund ensures that your children are adequately supported, but also gives them an incentive to further their education.

For further information please speak to your financial planner.

Source: Executive Wealth Management PortfolioWatch®, Australian Executor Trustees



## Self-Service Super Contributions

### NEW OPPORTUNITY TO BUILD WEALTH

The 1 July 2017 super reforms have opened up a fantastic new opportunity to build wealth in super and reduce your tax bill at the same time. That is, it's now easier to claim a tax deduction on your personal super contributions than ever before.

Before 1 July 2017, the only way most people could take advantage of the concessional (before-tax) contributions tax benefits was by salary sacrificing through their employer. Some people, such as the self-employed, could make voluntary personal contributions to super and claim a tax deduction but, most people were simply ineligible.

Now, anyone<sup>1</sup>, not just the self-employed, can make voluntary personal contributions to super and claim a tax deduction.

This gives you more flexibility if your employer isn't in a position to arrange salary sacrifice for you — such as a small business owner who doesn't have the time to provide this service to their employees.

As an employee, you rarely have control on the timing of the salary sacrifice contributions made by your employer. This gives you that control so, for instance, you can time your final contributions leading up to 30 June each year and make the most of your contribution limits and the resulting tax benefits.

**Remember, concessional contributions are contributions you can make to super either with your before-tax salary or by claiming a tax deduction on after-tax contributions. Either way, for most people, concessional contributions are taxed at just 15 per cent – not your marginal tax rate which could be as high as 47 per cent.**

## GETTING STARTED

To claim a tax deduction on your super contributions make sure you:

> Check the age restrictions to make sure you're eligible. There is a work test if you are age 65 to 75.

> Lodge a 'notice of intent to claim a deduction' to your super fund within the timeframes.

This change represents an opportunity for everyone, including those who are currently salary sacrificing, to gain greater control of their personal super contributions.

If you have any questions, please speak to your financial planner.

<sup>1</sup> Note: Fund and age restrictions apply.



## Super opportunity for downsizers

After 1 July 2018, if you're over 65 and sell a property, there may be a new opportunity to contribute more to super. If passed by parliament, you will be able to use some of the money from the sale to make a 'downsizer contribution' to super. The property does not need to be your current home. It can be your or your partner's former home as long as you or your partner have owned it for more than 10 years and lived in it at some point in your life.

**If you're thinking of selling a property in the near future, please speak to your financial planner first and don't miss this potential opportunity.**

## 35 years helping the Peninsula make better decisions.

## Here's how we can help you.

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