

**JANUARY, 2022**

# **NEWSLETTER**





## Important Message for all Company Directors

New laws came into force on 1 November 2021 requiring all Directors to obtain a **Director Identification Number (Director ID)**. This applies if they are the director of a company, registered Australian body, registered foreign company or an Aboriginal and Torres Strait Islander corporation.

### When must you apply for your Director ID?

Date You Became a Director	Date You Must Apply
On or before 31st October 2021	By November 30th 2022
Between 1st Nov 2021 and 4th April 2022	Within 28 days of appointment
From 5th April 2022	Before your appointment

### How do I get my Director ID?

Your registered Tax Agent is not able to apply for your Director ID on your behalf. To obtain your Director ID you will need to complete the identification requirements through your myGovID.

#### Step 1 – Set up myGovID

You will need a myGovID with a Standard or Strong identity strength to apply for your director ID online. If you live outside Australia and can't get a myGovID with a Standard or Strong identity strength, you will need to apply with a paper form and provide certified copies of your identity documents. If you live in Australia and:

- don't have a myGovID, you can find information on how to download the app at [How to set up myGovID](#)
- already have a myGovID, you can apply for your director ID now.

#### myGovID is different from myGov

- myGovID is an app. You download the myGovID app to your smart device. It lets you prove who you are and log in to a range of government online services, including myGov.
- myGov is an account. Your myGov account lets you link to and access online services provided by the Australian Taxation Office (ATO), Centrelink, Medicare and more.



#### Step 2 – Gather your documents

You will need to have some information the ATO knows about you when you apply for your director ID:

- your tax file number (TFN)
- your residential address as held by the ATO
- information from two documents to verify your identity.

Examples of the documents you can use to verify your identity include:

- bank account details
- an ATO notice of assessment
- super account details
- a dividend statement
- a Centrelink payment summary
- a PAYG payment summary (this is different to your income statement, and/or your PAYG instalment activity statement).

#### Step 3 – Complete your application

Once you have a myGovID with a Standard or Strong identity strength, and information to verify your identity, you can log in and apply for your director ID. The application process should take less than 5 minutes.

#### Once I have my Director ID, what should I do?

Once you have completed your Director ID application and you have been issued with a Director ID, please provide your registered Tax Agent with your Director ID. If this is Accountplan please do so by emailing it to us at [reception@accountplan.com.au](mailto:reception@accountplan.com.au) If you have any questions about this new requirement, please reach out to us accordingly.

## Reasons to Return to Work after Retirement

Our retirement years are meant to be spent relaxing and doing the things we love. So why are so many older Australians continuing to work after they've officially left the labour force?

A working retirement seems like an oxymoron. If you're working, then how can you be retired? But for an increasing number of Australians, picking up a new job after leaving a career is the right move.

To access your superannuation, retirement is usually a condition of release for your fund if you are aged between 55 and 64. It is possible to return to work but you won't be able to access the funds in your super account until you meet another condition of release (usually retiring again). If you're over 65, then you can freely access your super without the need to retire.

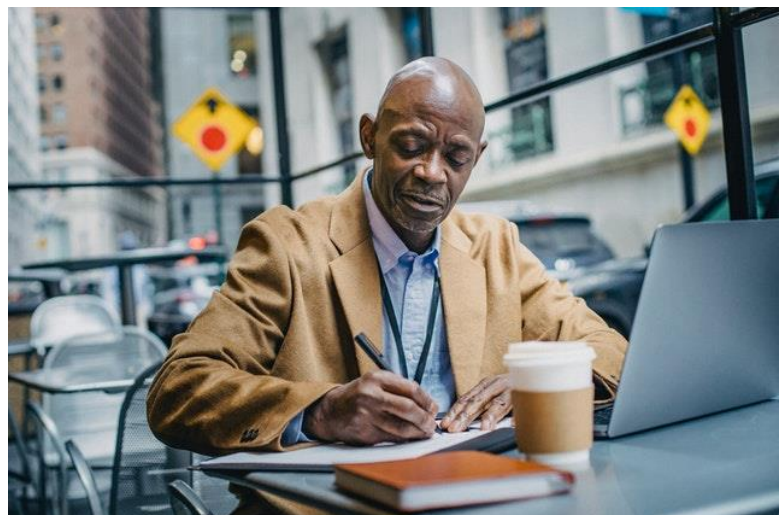


If you receive the Age Pension, then there are even government incentives to return to work in the form of reductions in the Age Pension income test.

There are a few reasons you might want to return to work, and not all of them have to do with money. Here are some of the top reasons for retirees returning to work.

### It's rewarding

Many retirees report losing a sense of meaning or purpose when they leave the workforce. This is especially true if the person derived a large part of their identity and personality from their job. Some even report a type of 'retirement depression'.



Taking on a new job can be one way to tackle this depression head-on. Whether the job is in your previous field or a completely new line of work, post-retirement employment can give retirees purpose and a sense of worth.

### Funding discretionary expenses

Most reasons to return to work after retirement don't have anything to do with money – except this one. Often retirees are on a strict budget, even more so if they receive the Age Pension.

Taking on a post-retirement job, even part-time, can be a great way to earn some extra pocket money to do the things you want. This way you won't be dipping into your retirement fund and you can keep enjoying life to its fullest.

### To socialise

Let's face it, sometimes retirement can be lonely. As well as getting professional fulfilment from our careers, they were also places filled with other adults to interact with. Many retirees made life-long friendships during their working lives and losing that daily interaction can be hard for some.

Joining a club, sports team or even just going to a café for coffee regularly and connecting with other patrons are all great ways to scratch the social itch. But a new job can give the kind of day-to-day interaction that many retirees crave.

### To learn new skills

There's a saying about teaching dogs of a certain age new tricks that really should be ignored. Learning new skills is a great way to maintain healthy brain function and slow cognitive decline.

Taking on a role in a new and unfamiliar field is a great way to force yourself to learn a bunch of new skills all at once. In this way, a post-retirement job can act as a barrier against dementia.

*Source: Your Life Choices*

## How to Avoid Paying too much for a Home

Knowing what a property is worth is central to avoiding paying too much for it.

### Set a benchmark

Comparing nearby properties that have sold recently is the best way to assess an acceptable price for the property you are looking at and provides a valuable bargaining tool when you are negotiating with a seller or agent. Make sure the properties are comparable, with a similar land size and number of bedrooms, so you aren't measuring apples against oranges.



### Keep in mind current market conditions

The property market is always changing, so doing this research once and sitting on it for a few months will offer little help. Going to open homes and auctions regularly will give you insight into the current state of the market and how much certain properties are going for.

### Expand your search

Look at properties in the suburb next to the one that you want, it's common that first-home buyers in particular, end up buying in the more affordable suburb next door to the one that they first wanted to buy in.

### Don't exceed your financial capacity

Even if a lender approves you for a particular loan amount, it doesn't mean you have to accept it – a higher loan amount means higher interest charges over the life of the loan, increasing the total cost of the property purchase, so only ever commit to a loan that you can afford alongside your current income and real expenditure. When calculating figures for the price of a home, ensure you also budget for maintenance and repair costs, as well as any other expertise you may require in the purchasing process.

### Bring in the experts

Consider using a buyer's agent as buying a home is one of the biggest financial decisions of your life and most people go in blind. If cost is a concern, then maybe use them only for part of the process that you need help with, such as the negotiation or bidding at an auction.

Having an MFAA accredited finance broker onside, such as Accountplan's Mick Doyle, is key to avoid overpaying for finance – they will search out the best loan for you and make sure it is one that you can afford.

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