MAY, 2025

NEWSLETTER

Pre-June 30 Tax Tips – For Individuals

It's not too late to implement strategies that will result in a larger refund. Here are some handy tips to consider…

For Individuals

- Use the services of a tax agent: If you don't already have a tax agent, it's proven that those who use a tax professional will typically receive larger refunds (and sleep better at night knowing their return is compliant).
- Additional Superannuation Contributions: Consider making voluntary contributions in addition to the compulsory payments made by your employer. Any additional payments that you make are tax deductible. Be aware of the concessional superannuation contribution cap of $30,000.
- Gifts and Donations: Is there a registered charity that is particularly close to your heart? Make your donation of $2 or more to a charity that is registered with the ATO before June 30 as it's tax deductible.
- Deduct working from home expenses: Guidelines changed post-pandemic so make sure that you are aware of the new requirements for claiming work from home deductions to ensure that you are able to correctly make your claim.
- Review your income protection insurance: Review your current level of protection and determine whether an increase may be appropriate in regard to a pay increase or additional business profits. This insurance is tax deductible.
- Know your deductions: This includes work-related expenses such as uniforms, tools, and equipment, as well as self-education expenses directly related to your current job.
- Delay income until after 30 June: Delaying income until after 30 June may help reduce the amount of tax for individual taxpayers, especially if you're expecting a bonus or other one-time income.

The experienced accounting team at Accountplan have been helping clients maximise their tax refunds for over 40 years. Call for an appointment on 07 3883 8999.

Source: Accountplan

How to Track Your Total Super Balance

Your total super balance impacts how much you can contribute to super. Here are the key things you need to know about the total super balance and how to track it.

What is Total Super Balance?

Your total super balance (TSB) is the sum of all amounts you have in the superannuation system. It includes:

- your accumulation account balances
- your superannuation pension accounts, and
- the outstanding balance of a Limited Recourse Borrowing Arrangement (if you have a self-managed super fund which has borrowed to invest), in certain circumstances.

TSB is used in the eligibility criteria for certain super contributions.

When is it Measured?

Your TSB for a financial year is measured on the previous 30 June when determining your eligibility to make or receive certain types of super contributions (eg 30 June 2025, for contributions made in 2025/26).

How Does TSB Impact Contributions?

Eligibility rules apply to super contributions. Some contributions require that your TSB at the previous 30 June is below certain thresholds. Carefully check your TSB before making contributions to super.

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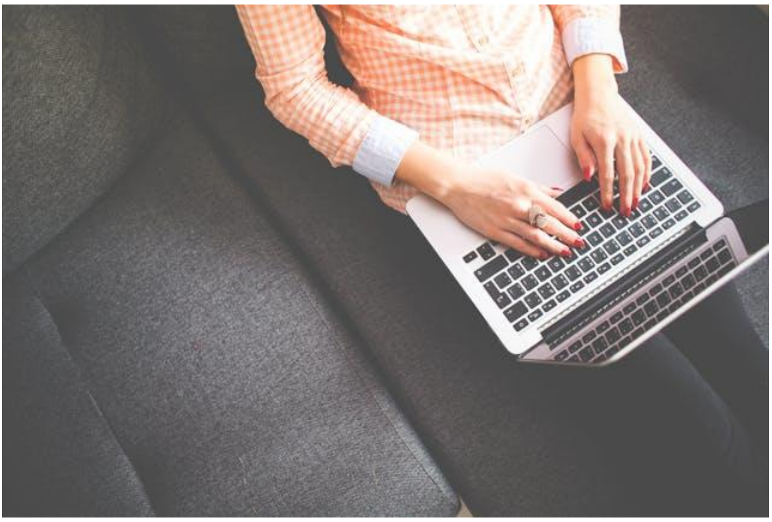


Also, your financial adviser might need to know details of your TSB to ensure that any recommendations to contribute to super are within your contribution caps.

How to Check Your TSB

There are a few ways you can track your TSB. The most commonly used source of information is your MyGov account. Other options are contacting your superannuation funds or looking at your fund's statements and records.

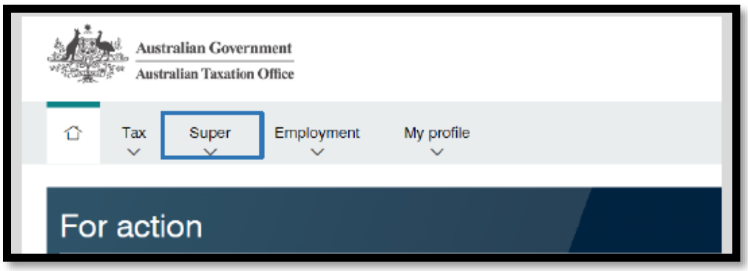
When reviewing your annual statement, the TSB figure your fund reports to the ATO is usually referred to as 'exit value' or 'withdrawal benefit'. This may be different to the 30 June 'closing balance'.

Don't have a MyGov Account? Click [here] for instructions on how to create one.

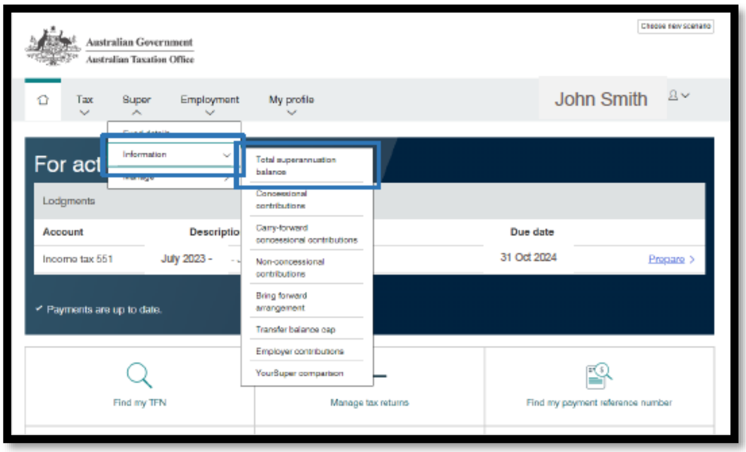
Have a MyGov Account but haven't linked the ATO? Click [here] for instructions.

If you have a MyGoc Account, and have already linked the ATO to same…

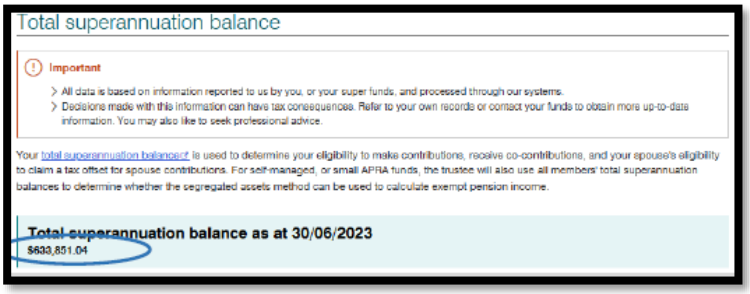
1. Select the 'Super' tab.



2. Click the 'Information' option then select 'Total superannuation balance'.



3. The most up to date TSB recorded by the ATO for the prior 30th June is displayed.



4. Click the drop-down arrow to the right reveal detailed info.

Your TSB reflects your accounts as at the prior 30 June. Before you rely on the MyGov info:

- check all of the super and pension accounts that you held on 30 June are displayed
- reconcile the amounts displayed with the 'exit' or 'withdrawal' value displayed on your end of year statements and other records, and
- contact your super fund and the ATO if the information doesn't look correct, before making super contributions.

Accountplan have been advising clients on their super for over 30 years. Call 07 3883 8999 for an appointment.

Source: MLC

Interest Rate Watch

With the Reserve Bank of Australia (RBA) set to meet again later this month there is the usual level of interest from commentators debating whether they will repeat the 0.25% cut they announced in February 2025. Remember that cut was:

- the first rate cut since Nov 2020, and
- the first change of any kind from the RBA (up or down) since Nov 2023

Unfortunately mortgage holders, many who have been doing it tough since rates started their upward trajectory in May 2022, are not aware that in anticipation of future rate cuts most lenders have slashed their fixed rates already.

Why?

Well, fixed rates are a reflection of a couple of things:

1. what lenders forecast will be their own cost of funds for a given period of time
2. the price of what they have already been able to borrow themselves

Most of the mortgage lenders in Australia had priced in a total of 4 rate cuts over the 2025 calendar year.

With one of these already delivered, this means that the consensus is for a further 3 rate cuts by end of year.

We have seen this sentiment reflected in fixed rates movements since the new year…

- 1yr Fixed - Dropped on average 0.80% to a range of 5.29% - 5.65%
- 2yr Fixed - Dropped on average 0.90% to a range of 5.19% - 5.79%
- 3yr Fixed- Dropped on average 1.10% to a range of 5.19% - 5.79%
- 4yr Fixed - Dropped on average 1.20% to a range of 5.39% - 5.99%
- 5yr Fixed - Dropped on average 1.25% to a range of 5.39% - 5.99%

The range is largely dependant on the Loan to Valuation Ratio (LVR) that applies at the time of application.

So if the current rates see you struggling with your repayments, why not consider fixing a part of your loan for an immediate boost to your household cash flow.

Accountplan's Mick Doyle has almost 40 years in the Australian finance industry, quality guidance is just a call away on 07 3883 8999.

Source: Accountplan

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