

NEWSLETTER

AUGUST EDITION



Welcome to the August edition of our newsletter, giving your clarity in work and business.

Financial News

Knowledge is power as a business owner. Read-worthy financial considerations that may help you this financial year.

2025 Tax Updates

Providing you with suggestions on protecting yourself and your business, industry changes and individual income rates.

2024 Tax Return

Need help preparing your 2024 Tax Return? At UNIQsol, we have you covered this tax season! See page 5 for details.

FINANCIAL CONSIDERATIONS

Superannuation Guarantee (SG) Rate: What Employers Need To Know

The Superannuation Guarantee (SG) rate is scheduled to increase by 0.05% annually until July 2027. Starting from 1 July 2024, the SG rate will be 11.5%.

What Does This Mean for Employers?

Let's take a look at an example using Amy. Amy earns a \$1,000 gross wage each week. In 2024, her employer contributed 11% of her gross earnings to her superannuation, totalling \$110. With the new SG rate of 11.5% in 2025, Amy's employer will contribute \$115 to her superannuation.

All cashbook programs are up to date with the incremental increases however it is recommended that you review your costs per hour and cash breakeven position to protect your profitability.



Navigating Payroll Tax Made Simple

Payroll tax is a state-based tax calculated on your taxable wages, superannuation, director fees, allowances, and some contractor payments. If your total gross wages, allowances, and superannuation exceed the weekly threshold of \$25,000, you are required to register for payroll tax. In short, it is an extra business cost levied on medium-sized businesses and the responsibility for compliance and self-reporting falls on you, the business owner.

Steps to Register for Payroll Tax:

1. Verify Your Identity: Provide the necessary documentation to confirm your identity.
2. Link Your Business: Connect your business to your payroll tax profile.
After registering, you'll need to input financial data on the Office of State Revenue (OSR) website.

What to Expect After Registration:

Once registered, you can file your payroll tax returns through the Queensland Revenue Office (QRO) portal. Depending on your payroll volume, returns are due either monthly or semi-annually. If you are close to the \$1.3 million threshold, you will have the benefit of a six-month reporting cycle.

What are you actually paying?

$(Total\ Queensland\ taxable\ wages - Deduction) \times Payroll\ tax\ rate = Payroll\ tax\ liability$

Create Your Payroll Tax Profile: Set up your individual identity for payroll tax purposes. The impact of wage and super incremental increases has left employers facing threshold creep because the \$1.3 million payroll tax threshold isn't increasing. Hold on and get ready for the ride!



Consumer Price Index (CPI)

The Consumer Price Index (CPI) tracks the average changes in prices that households pay for a set basket of goods and services over time.

Essential for economists and government officials alike, CPI serves as a crucial tool for monitoring inflation across the Australian economy. It helps in adjusting dollar values for various fixed payments, including pensions and lease contracts, ensuring they keep pace with economic changes.

Don't miss the latest update - CPI data for the June 2024 quarter will be released on July 31, 2024.

Stay informed and ahead of the curve with CPI!

Visit the link below:

<https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

Next Wage Levels Set to Take Effect from July 2024

Starting July 1, 2024, there has been a 3.75% increase in the National Minimum Wage and minimum award wages.

What's New:

- National Minimum Wage: Rising to \$915.90 per week, or \$24.10 per hour
- Award Minimum Wages: Enjoy a 3.75% boost

Additionally, other award wages, including those for juniors, apprentices, and supported wages, will see a proportional increase based on the adult minimum wages.

For more information, visit the link below:

<https://www.fairwork.gov.au/>

ATO Small Business Benchmarks

Discover how your business stacks up against industry peers with the ATO's insightful performance comparison tools. Gain valuable insights and enhance your strategy by exploring the details through the link below.

<https://www.ato.gov.au/>

ATO have highlighted audit activity for all businesses lodging tax returns outside of industry benchmarks.

Maximise Your Tax Return: What the ATO is Focusing on

The Australian Taxation Office (ATO) has pinpointed three key areas they'll be closely examining in your 2023-24 income tax returns:

Work-Related Expenses:

Ensure you're claiming everything you're entitled to.

Rental Property Income:

Get the most out of your rental income while staying compliant.

Capital Gains from

Cryptocurrency: Accurately report your crypto transactions to avoid any surprises.

Be proactive and informed to make the most of your tax return with our expert support tailored to these key focus areas.

FOR BUSINESS OWNERS

2025 TAX UPDATE SNAPSHOT

Protect Yourself Against Scammers

If you have received a suspicious email, text or call, please contact our office immediately to help identify if this is a scam or true information from the ATO.

Quick ATO scam identifiers:

1. The ATO may SMS or email you to advise of activity however will never request you to click a link
2. The ATO will not request that you download attachments
3. The ATO will never send you unsolicited SMS messages, emails or calls.

Individual Income Rates & Thresholds

Starting July 1, 2024, the government has made changes to individual income tax rates and thresholds. These changes are now law and include

Tax Rate Reductions:

19% reduced to 16%
32.5% reduced to 30%

Threshold Increases:

- 37% rate now applies above \$135,000 (up from \$120,000)
- 45% rate now applies above \$190,000 (up from \$180,000)



Changes To Offsetting Debts On Hold

As part of the 2024-25 budget, the Government has introduced a proposed measure to offer greater flexibility and relief for individuals, small businesses, and not-for-profit entities with outstanding debt.

The best approach to help with ATO debt is to make smaller and more frequent payments. ails or calls.



“Giving you more focus, clarity and freedom in life and business.”

FOR BUSINESS OWNERS

Super Contribution For Contractors

Under the Superannuation Guarantee (Administration) Act 1992. If a business engages a person under a contract 'wholly or principally for labour' they provide, the business must make compulsory superannuation contributions on their behalf.

Therefore, if you pay a contractor mainly for their labour, even if they have their own Australian Business Number (ABN), they are classified as an employee for superannuation guarantee (SG) purposes, and it is needful for you to pay 11.5% super.

The ATO use the following to decide:

- Works under a contract (verbal or written) for labour and skills only.
- The individual is paid, and the payment isn't dependent on achieving a specific result.
- The work cannot be delegated to someone else,
- Perform domestic work for more than 30 hours per week
- Is a sports person, artist or entertainer paid to perform

Exemptions:

- Your contractor works for unrelated businesses.
- Income from one source is less than 80%.
- Your contractor provides equipment to do work (vehicles are not classified as equipment).

Xero Pricing Updates

Xero is changing the names and pricing of their plans effective 1 July 2024.

- Starter will now be called 'Xero Ignite' at \$35.00 p/m
- Standard will now be called 'Xero Grow' at \$70.00 p/m
- Premium 5 will now be called 'Xero Comprehensive' at \$90.00 p/m
- Premium 10-100 will now be called 'Xero Ultimate' at from \$99/pm

The main reason for the change being that they are including some of their add ons like Xero expenses and Xero Projects into some of the plans.

Xero no longer offers Payroll only plans. All users who are on the old plans will receive 60 days' notice that they are moving to the new one.

Get In Touch

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Ready For Your 2024 Tax Return?!

Do you need help preparing your 2024 taxes?

We have you covered!

Explore our comprehensive resources on our website.

Simply:

- Visit - <https://uniqsol.com.au>
- Click on 'Resources', and
- Select 'Blog'.

Alternatively, contact our office by phone or email on the details in the section at the bottom of this page.

