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TAX, ACCOUNTING AND MANAGEMENT SERVICES

PERSONAL INCOME TAX WORKSHEET – 2011

Personal details:

Surname:		Other names:	
Title: Mr Mrs Miss Ms Rev Dr or Other (please specify)			
Date of Birth	Tax File Number	Occupation	

Address for Mail:	Residential Address: (Must be a street address)

Telephone	Home:	Work:
Fax	When is the best time of day to call you?	
Mobile	Home:	Work:
e-mail		

Electronic funds transfer (EFT)

We recommend that your tax refund should be directly credited to your bank account.

Please advise full details of:

BSB Number	Account Number	Account Name
___ - ___		

Would you like to receive your tax return form by e-mail?

Y/N

Family details:

	Name	Tax file number	Income for year	Date of birth
Spouse				
Children				

Tax return preparation deadline

Please let us know if you need your tax return details for any other reason.

Tax return details

For this year's return, tick here the boxes that apply to you:

Income from employment
Paid parental leave
Work related expenses
Income from investments
Expenses for investments
Income from business
Income from government payments
Income from rent
Car expenses
Capital gains
Superannuation
Other income or expenses
Tax offsets

Income details

Income from all sources is treated as assessable income (unless it is specifically treated as exempt income), and must be declared in your income tax return. However, the costs of earning that income are treated as allowable deductions. ***Your taxable income is made up of your assessable income, less allowable deductions.***

Your income may come from one or more sources: ***employment, investment, business or government allowances and pensions.*** For your convenience, we have divided the worksheet into sections corresponding with these income types. In addition, we have included some specific worksheets where we believe these may apply to you. Please let us know if you require any additional schedules.

Income from employment

Salary and wages	Please provide PAYG payment summaries
Paid parental leave	Please provide PAYG payment summaries
Termination payments	Statement of employment termination payment
Cash and casual payments	Diary records or payment advice notices
Private pensions	PAYG payment summaries
Personal services income	Personal services attributed income payment summaries

Expenses for employment

For all claims we need

- an explanation of how the expenditure is directly related to your employment. Please note that the Tax Office use industry averages to identify tax returns with unusually high claims.

For claims exceeding \$300 we also need

- written evidence of expenditure (such as a receipt or invoice)

Keeping your records

You must keep your evidence of expenditure **for five years from the date you lodge your tax return**. Where you claim depreciation on any item, you must keep records for five years from the date you lodge your tax return with the last claim for that asset.

In addition, there are some specific requirements, depending on the type of expenditure.

Car	Complete our detailed car expenses worksheet if you used your car for work purposes – for example, visiting customers or suppliers, attending seminars, travelling between workplaces. Travel between work and home is not an allowable deduction . You can claim for car expenses if you have to carry bulky equipment that cannot be left at work, or if you have shifting places of employment. Minor use, such as picking up the mail on the way to work, does not count as work related use.
Travel	Travel diary for domestic trips of 6 nights in a row or more (except where the claim does not exceed the amount of a 'reasonable travel allowance' received from your employer) and for all international trips of 6 nights in a row or more. Under this heading you can claim the actual costs incurred in using a car owned by someone else for work-related purposes – for example, petrol and oil. You cannot claim such expenses using the car expenses methods.
Self education	Explanation of how the study relates to your current employment . Common expenses include: Enrolment fees (but not HELP) Reference books Student union fees Stationery Travel Photocopying Computer expenses For the 2011 year you can claim a deduction for expenses against income received from youth allowance, Austudy or other study schemes. You can claim for car expenses for travel between your home or work and place of education, but only for the first leg of the journey if you travel from home to place of education and then on to work, or from work to place of education and then home. The first \$250 of expenditure for self-education is not an allowable deduction. However, you are entitled to offset any non-deductible expenditure (such as travel, child care costs, or capital costs of equipment) before reducing your claim.

Uniform	<p>In some cases, the cost of buying and cleaning occupation-specific or protective clothing may be tax deductible. Laundry costs of up to \$150 for occupation-specific clothing may be claimed without written evidence (subject to the \$300 overall limit). Occupation specific clothing is not everyday wear – for example, a chef’s checked pants.</p> <p>Protective clothing includes such things as fire-resistant and sun-protection clothing, steel-capped boots, nurses’ non-slip shoes, overalls, heavy duty shirts and trousers. Ordinary jeans, shirts or trousers are not protective clothing.</p>	
Other	Consider the following typical work expenses:	
	<p>Telephone calls (and line rental if you can show that you are ‘on call’ or regularly use your home phone for work purposes)</p> <p>Subscriptions</p> <p>Courses and seminars</p> <p>Books and journals</p> <p>Income replacement insurance</p> <p>Equipment</p> <p>Sunscreen and sunglasses</p>	<p>Internet access</p> <p>Home office</p> <p>Agency fees</p> <p>Motivational tapes</p> <p>Stationery</p> <p>Postage</p> <p>Overtime meal expenses, subject to a limit of \$19.75 per meal, and only if you have received a specific overtime meal allowance.</p>

It may be necessary to make an **apportionment** between work and private use for some expenses. Please advise the **description, amount and date** of any equipment purchases, and the work proportion. Simplified rules apply for low-value assets (under \$1,000).

A proportionate claim of direct outgoings for a **home office**, such as electricity, gas and home contents insurance can be deducted. This claim can be based on diary evidence of your use of the home office, or on a fixed rate of 26c per hour of actual usage.

Income from investment

Note –. *Ensure that you do not overlook bank accounts you may have closed during the year.*

Interest	Send us your bank statements or similar records, or provide a summary for each account: Account name, account number, amount of interest, your %. Similar details are required for private loans. If you operate a bank account in the name of a child, and you treat the funds as if they are your own, then you must include any interest on that account in your return.
Dividends	Dividend advice notices. Don’t overlook reinvested dividends, or dividends from family or other private companies. Include all dividends paid during the 2011 year – look at the payment date. For example, dividends for the year ended 30 June 2010, paid after that date, must be included.
Trusts	Annual tax statements and distribution summaries from managed funds. Often these are not available until September or October. If you are a beneficiary of a private trust, provide us with the trustee’s contact details, so that we can check the correct taxable income is declared.
Rent	Ask for our detailed rental income worksheet.
Other investments	Details of short term gains or losses on futures or other investment products. Details of any foreign investment income.

Expenses for investment

Advice	A deduction is allowed for financial advice for maintaining your investment portfolio, but not for drawing up an investment plan.
Transaction costs	Bank charges, borrowing costs and interest on investment loans are deductible. If you have used a home equity or similar type of loan to purchase investments as well as to refinance your home loan, a proportion of the interest and other costs will be deductible. You will need to discuss this with us to enable us to calculate the claim.
Other	Subscriptions to investment magazines, financial management fees, internet charges, telephone calls, travel to visit your financial planner and 50% of capital gains from listed investment companies.

Income from business

Ask us for our **business income schedule** if you have commenced business this year. Ask us if you are unsure if your hobby is in fact a business. Losses from certain “non-commercial” operations must be deferred and offset against future gains.

Income from government payments

Pensions & allowances	Centrelink payment summary Let us know if your spouse also received a pension or allowance
Tax free pensions	Although these are not subject to tax, they are taken into account to determine your eligibility to certain tax offsets (or rebates). Let us know if you have a tax free Government pension

Capital gains and losses

Read the capital gains tax worksheet, and send us your investment register if you have one, or ask us to maintain one for you. Send us the details of all acquisitions and disposals of assets during the year. Don't forget dividend reinvestments – these are treated as purchases. There are some complex rules about what gains should be included – make sure you tell us about any sales of assets during the year, and we will advise you if they must be declared in your tax return.

Other income

For example, proceeds of a short-term life insurance policy, or foreign source income. Australian resident taxpayers must declare their worldwide income in their Australian tax returns. Credit is allowed for foreign tax paid (up to the amount that would have been payable in Australia) and special rules apply to “foreign service income.” You must disclose any assets held overseas (such as land or investments) where the cost or market value is more than \$50,000 – even if you did not receive any income from them.

Other expenses

Gifts	Send us your receipts (or a summarised list) for gifts to eligible charitable organisations. Note that donations made in joint names must be claimed equally. You cannot claim a deduction if you receive anything in exchange for the donation. Donations of more than \$2 to a registered political party are deductible.
Tax affairs	Tax agent's fees, travelling costs to visit your tax agent, interest charged by the Tax Office on late payments of tax.

Tax offsets and charges

Spouse	We need to know your spouse's separate net income (which is not the same as taxable income). You should provide full details of your spouse's income, and costs such as home to work travel and child care.
Private health insurance	Please forward your health fund annual summary. Even if you are not entitled to a rebate, you should still send us details of your membership and payments. This is because an additional medicare charge applies for high income earners with no private health insurance.
Medical expenses	A rebate of 20% applies to net medical expenses (after all refunds) in excess of \$2,000. Please send us your medical receipts, or a summary of payments with details of the medical provider, the amount paid, and the amount of any health fund or medicare refund. Ask us if you are in any doubt about whether a particular expense qualifies under this item.
Education expenses tax offset	A 50% tax offset is available for eligible education expenses (up to a certain limit) for certain education expenses incurred in respect of primary and secondary school education. Eligible items include the cost of a home computer, home internet connection, software, text books and stationery items. The limit is \$794 for each child attending a primary school (that is, an offset of \$397), and \$1,588 for each child attending secondary school (that is, an offset of \$794). Any unused expenditure from last year can be carried forward and used this year.

Superannuation

Personal	Statement of contributions to your personal superannuation fund. Note you can only claim a deduction for personal contributions if you are not entitled to employer superannuation support.
Spouse	A rebate is available for superannuation contributions on behalf of a low-income spouse. Please provide a statement of contributions paid to a complying fund.
Salary sacrifice	If you make salary sacrifice superannuation contributions, this must be reported on your tax return for the first time this year. Although it is not subject to tax, it is taken into account to determine your eligibility to certain tax offsets (or rebates).

CAPITAL GAINS TAX WORKSHEET

What is a taxable capital gain?

Income tax applies to *net capital gains* made upon the *disposal* of *assets acquired* (or deemed to have been acquired) after 19 September 1985. The term “**asset**” is broadly defined to mean any form of property - motor vehicles are the *only exclusion* from the definition of an asset for capital gains tax purposes. That means that everyone who sells any asset apart from a motor vehicle **must consider** whether there is a liability for income tax on any capital gain that may have been made.

Exemptions

Some assets are exempt from tax on capital gains. These include a taxpayer’s own *principal residence* (in most cases - but there may be a liability if the house has been used as a place of business) and “*personal use*” **assets** acquired initially for less than \$10,000 (this would include most furniture and household items). There is a separate classification of *collectables* such as works of art and antiques. Any item in this list that was acquired initially for more than \$500 will be subject to tax on disposal. Assets to which the *small business 15-year exemption* applies will not be subject to tax on disposal.

Examples

The more common situations giving rise to a tax liability on capital gains are the disposal of income-producing real estate and shares in listed companies. Many taxpayers also hold units in public investment trusts, and any share of a capital gain that has been made by the trust and distributed to the taxpayer must be included in assessable income.

Records

It is most important that records relating to the acquisition and disposal of assets should be retained to enable the calculation of the correct tax liability. Capital gains on the disposal of assets acquired after 21/9/99 are subject to tax at normal rates on 50% of the gain. Assets held prior to this date may still be subject to the old “indexation” rules. For this reason the date and amount of every transaction concerning an asset must be recorded. One area that can sometimes be overlooked is shares acquired in a dividend reinvestment scheme. Part disposals, and cost-base reductions, particularly in investment trusts, are also potential areas for confusion.

Capital losses are not offset against ordinary income, but must be carried forward until such time as there is a capital gain to be disclosed in your income tax return. Don’t overlook losses that may have been incurred several years ago.

Complex issues

There are concessions for gains made on the sale of a business, retirement, company reorganisations and share buy-backs, marriage breakdown and death. These are all complex areas, and you should seek our advice if you have been, or are likely to be, affected by any of these situations.

You should ask yourself these questions now:

Have I disposed of any asset during the year that was acquired after 19 September 1985?

*(If so, please **read on**, then complete the details below, and provide us with the documentation relating to the acquisition and disposal.)*

Was it a personal use asset?

Was it a listed personal use asset?

Do I have all the records relating to the acquisition and disposal of this asset?

Do I have capital losses from previous years to offset against any gain on this disposal?

NET CAPITAL GAIN

Type of asset
Date of purchase
Date of sale
Cost of the asset
Consideration received for the disposal
Acquisition or disposal costs
(attach a separate list if more than one asset has been sold)
Carry-forward losses (if known)

\$
\$
\$ Date:

