

## Autumn Bulletin

The impact of the situation in Japan, whilst a terrible human tragedy, seems to have been taken in its stride by the world stock market.

The continuing problems in Libya and some Middle Eastern countries may have greater impact on oil prices and hence world growth.

### Tax Matters

#### FBT

1<sup>st</sup> April is the start of the new FBT year. Please take the time to review your arrangements. FBT returns are due by 21 April 2011. Please contact Barry McCann at this office should you wish to discuss any FBT matters.

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#### BAS

For client report quarterly for GST etc., please note the due date for the lodgement of the return and payment is 28 April 2011. This is just the after of Easter break, so please plan accordingly.

#### Superannuation Guarantee

Please ensure your payment for superannuation guarantee purposes are paid by 28 April 2011.

### Financial Matters

## Key superannuation rates and thresholds

### Concessional contributions cap

Concessional contributions include:

employer contributions (including contributions made under a salary sacrifice arrangement) personal contributions claimed as a tax deduction by a self-employed person.

Income year	Amount of cap
2011-12	\$25,000
2010-11	\$25,000
2009-10	\$25,000
2008-09	\$50,000
2007-08	\$50,000

In accordance with section 960-285 of the *Income Tax Assessment Act 1997* (ITAA 1997), the concessional contributions cap is indexed in line with average weekly ordinary time earnings (AWOTE), in increments of \$5,000 (rounded down). The new indexed amount is generally available each February.

## Concessional contributions cap for people 50 years old or over

An increased concessional contributions cap applies until 30 June 2012 for people 50 years old or over. If you were 50 years old or over, the annual cap for the 2007-08 and 2008-09 financial years was \$100,000. If you are 50 years old or over, the annual cap for the 2009-10, 2010-11 and 2011-12 financial years is \$50,000. If you have more than one fund, all concessional contributions made to all your funds are added together and count towards the cap. This cap is not indexed.

The government has announced changes that, if passed by parliament, will permanently increase the concessional contributions cap to \$50,000 for individuals who have total super balances below \$500,000 and are 50 years old or over. We will publish updated guidance if these announced changes become law.

## Non-concessional contributions cap

Non-concessional contributions include personal contributions for which you do not claim an income tax deduction.

Income year	Amount of cap
2011-12	\$150,000
2010-11	\$150,000
2009-10	\$150,000
2008-09	\$150,000
2007-08	\$150,000

In accordance with subsection 292-85(2) of the ITAA 1997, the non-concessional cap for an income year is a multiple of the concessional contributions cap. The new indexed amount is generally available each February.

People under 65 years old may be able to make non-concessional contributions of up to three times their non-concessional contributions cap over a three-year period. This is known as the 'bring-forward' option.

The bring-forward cap is three times the non-concessional contributions cap of the first year. If you brought forward your contributions in 2007-08, it would be  $3 \times \$150,000 = \$450,000$ .

Source: ATO website 6/4/2011 [www.ato.gov.au](http://www.ato.gov.au)

## Other Matters

Condolences to Joanne McCann on the loss of her mother.

Mr Gary Jones of Professional Investment Bendigo is currently leading the footy tipping competition.

Happy and Safe Easter to all

### Disclaimer

This bulletin has been prepared for our firm as a general guide to our services. We invite you to seek professional advice and assistance from ourselves which will be specific to your particular circumstances. We cannot accept any liability for any action taken or not taken as a result of this information alone