

Your Income Tax Return



Getting Tax Ready

With the new financial year upon us, it is time to get your income tax return ready. Whether you have a complicated financial situation or you are a straightforward PAYG employee, getting yourself organised is the key to making the process efficient. Here, the Grimsey tax team outlines the top ten tips for preparing your tax information.

1. Relationship with your accountant

The Grimsey tax team are your registered tax agents and we strive to deliver the best outcomes for our clients. Our tax specialists understand the benefit of building a great relationship with our clients and maintaining their role as your trusted adviser. Don't be afraid to reach out to your Grimsey adviser to seek advice, not only at tax time but at any time during the year.

2. Schedule an appointment

You need to meet with your accountant to at some stage during the process. Speak with your adviser and find out at what point they would like you to see you. Meeting with your adviser allows you to gain a better understanding of what you can claim and what documentation you need to include.

3. Gather your information

From now on you will start to receive various types of statements outlining your tax obligations or payments throughout the last financial year. For each statement, verify that the information matches your own records. Some of the most common tax statements include:

- Share dividend statements
- Bank account statements – showing interest received from bank accounts
- PAYG payment summary
- Annual Private Health insurance statement
- Contract notices from brokers
- Annual rental statements
- Annual managed fund tax statements
- Share contract notes for shares sold

4. Get your receipts together

Which receipts you require depends on whether you choose to itemise your personal deductions or claim the standard deduction. You may choose to itemise if this produces the greater write-off. Unfortunately, the only way to know for sure is to determine the amount of your itemised deductions and compare them with the standard deduction amount.

For itemising, gather and organise your receipts for various deductible expenses. Look for proof of medical costs, investment property costs, job-related and investment-related expenses.

If you have business income, you will need to share your books and records (e.g., QuickBooks or other accounting system, receipts for expenses, bank and credit card statements etc.) with your Grimsey relationship manager. The more organised you can be, the less time it will take your accountant, which may translate into lower fees for their service.

5. Gather records for charitable contributions

If you have donated to charity, you need specific records to claim any write-off. For example, you will require a receipt or verification from the charity organisation to prove you have made the donation, for what amount and when you donated. If you are lacking evidence, contact the charity and ask for it. You need to have documentation in hand by the time you file your return.

6. Brace yourself for tax law changes

You do not have to become a tax expert, but keeping up to date with any changes in the tax regulations means you will not be caught off guard. Speak to your accountant prior to or during your tax return meeting to ensure you understand any changes that might affect you.

7. Make a list of personal information

Make a list of all the personal information you need when it comes to completing your tax return. Relevant information might include:

- Your personal information such as date of birth, tax file number, address and contact information
- Primary residence and investment property addresses
- Rental information, including rent increases, tenant changeover dates etc.
- Dates of sale or purchase of any property
- Price of any property bought or sold

Having all this information on hand enables you to complete forms quickly and assists in the process of working with your accountant. You will also be able to keep this list on hand and update it annually.

8. Decide whether to ask for a filing extension

If you require additional time to organise your information or to make payments you know will be due to the Australian Tax Office (ATO) you are able to request an extension. It is best to work with your Grimsey tax manager to apply for this extension, as they will be familiar with the process.

9. Find a copy of last year's return.

Your previous income tax return may include much of the information you require for your current tax return. Your Grimsey tax manager will have this documentation, so contact them to request a copy.

10. Decide what to do with a refund.

If you expect a refund, start to think about what you will do with the funds. Talk to your Grimsey accountant or financial adviser about your options and perhaps talk to them about how you can invest this money for future growth.

The Grimsey tax team are always available to answer queries relating to your tax return or for any other financial matters. Please contact our office on **(03) 8341 8888** to talk to our advisers or visit us at www.grimsey.com.au to make an appointment.