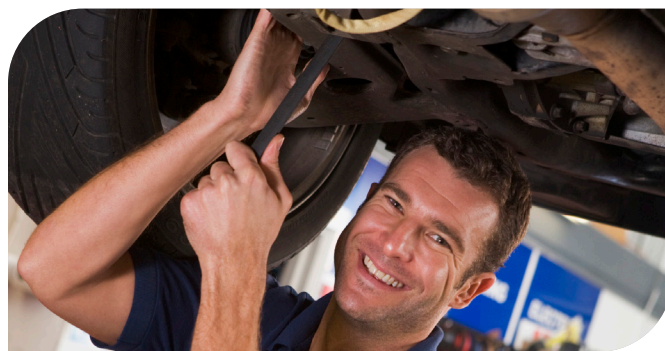


FAJ TOP TAX TIPS 2024

TRADES



Claim on work related tools and equipment Any tools purchased under \$300 can be claimed as an immediate deduction. Tools purchased over the value of \$300 can be depreciated over their useful life. Certain businesses can claim an immediate deduction for assets costing \$20,000 or less, so long as the asset was purchased and installed ready for use between 1 July 2024 and 30 June 2025. If you're unsure if your business is eligible for the \$20,000 instant asset write off, please contact us before purchasing your assets.

Boost your super balance and minimise tax You can claim a tax deduction for super contributions you made in addition to your employer's contributions. As of 1 July 2024, the total annual contributions from you and your employer cannot exceed \$30,000 (\$27,500 up to 30/06/24). Any unused tax deductible super contributions in one year may be carried forward to the following year, provided your super balance is less than \$500,000. Speak to us while we are preparing your return for a calculation of how much tax you could save by personally contributing to your superfund.

Use your private hospital cover to reduce your tax surcharge As of 1 July 2024, if you earn more than \$97,000 per year personally or \$194,000 as a family and you do not have appropriate private health insurance, you will be liable to pay the Medicare Levy Surcharge. We can help you understand the tax saving you will receive as a result of taking out private health insurance.

Turn work at home into tax deductions Your internet, phone, electricity and other running expenses may be tax deductible if you work from home. There are two methods to claim home office expenses – the revised fixed rate method and the actual cost method. Regardless of the method used, to be eligible you need to prove that you have incurred additional running expenses working from home. Under the revised fixed rate method, you can claim a deduction of 67 cents for each hour worked from home. The rate covers the work related use of your phone, internet, electricity, gas, and stationery and ink, but depreciable items such as laptops and desks can be claimed separately. In order to substantiate your home office claim you will need to provide a written record of every hour worked from home during the year.

Choose the most generous parental leave option Expecting a baby? Most families are better off receiving Parental Leave Pay rather than the Newborn Upfront Payment. As of 1 July 2024, Parents have access to a total of 22 weeks paid leave (Increasing to 24 weeks in July 2025) and this can be split between both parents in any ratio. If you are eligible, we can help you choose the payment which is best for you.

Save by packaging your salary A good way to increase your take home pay or your super balance is to take advantage of salary packaging. Items which can be salary sacrificed include superannuation contributions, motor vehicle leases and portable electronic devices.

Ensure you get the maximum family tax benefit Not claiming Family Tax Benefit fortnightly? The good news is you may be eligible for a lump sum - but don't miss the deadline for claiming. See us for any information relating to your Family Tax Benefit claim.

Maximise your travel related deductions Travelling between two jobs is tax deductible. Overnight travel and the expenses that go along with it may also be deductible. There might be other deductible travel you don't know about, such as travelling from home to work with bulky equipment. Keep track of all work travel and expenses to allow us to claim the most for your travel. Ask us for a complimentary FAJ log book or use our app.

Claim on work related education and training You can claim the cost of work related training courses that maintain or improve your ability to perform in your current job. This includes expenses such as conferences, seminars, licences, and short and long term courses that relate to your current employment. Costs incurred in attending TAFE (and in some circumstances, University) are also tax deductible, provided they relate to your current employment. Costs you can claim include course fees, travel, stationery, books, parking fees, and accommodation and meals if away from home overnight.

Maximise your work related deductions As a general rule, if an item of expenditure is directly related to your current employment, you were not reimbursed for the expense and you have a record to prove it, you may be able to claim it as a deduction. For example, protective clothing, laundering uniforms, sun protection, income protection insurance, union and industry fees, portable electronic devices used for work, and subscriptions are all deductible.

ATO audit hot-spots - Travel Allowance The reasonable travel allowance rates set by the ATO are increasingly becoming a hotspot with a greater number of taxpayers claiming the maximum allowance rates without substantiation. To ensure your claim is legitimate make sure your employer is paying you a reasonable travel allowance specific to the travel or overnight trip, keep a travel diary detailing actual expenses incurred, and retain receipts of large payments such as accommodation and flights.

Francis A Jones has developed these Tax Tips to help you get exactly what you're entitled to in your tax refund. You can make an appointment by filling out the online appointment form www.faj.com.au/taxreturns or phone FAJ on 9335 5211.

154 High Street Fremantle WA Ph 08 9335 5211 email@faj.com.au
PO Box 39 Fremantle WA 6959 Fx 08 9335 5478 www.faj.com.au



Francis A Jones
is a CPA practice



Francis A Jones
Where people count.

This handout contains information that is general in nature based on current taxation laws. You should not rely on this information without seeking your own independent advice.