



End of financial year tax tips for employees and small business

(Feedsy Exclusive)

The end of the financial year is one of the busiest and most stressful times for businesses and employees. Are your financial records in order? Do you know how to take advantage of standard deductions? While many people only see their accountant once or twice a year, you're much more likely to identify deductions and make necessary adjustments when an ongoing relationship is in place. Whether you're a business owner or an employee, you need to understand which deductions are available and relevant to you so you can benefit from them.

Tax tips for businesses

If you run a home office, you may be able to get a significant tax break. Sole traders and anyone who is operating a business from their home may be able to claim a deduction for occupancy and running expenses. This includes things like your mortgage and rent, which can add up to a large sum over time.

Business travel expenses are another common

deduction, whereby any expenses incurred by you or your employees can be claimed. If you're away from home for one or more consecutive nights, you need to record all of your activities and expenses.

Auto expenses are another common area for deductions. Any motor vehicle expenses by your employees may be claimed as business-related expenses, with the fringe benefit tax (FBT) also relevant if the employer uses the vehicle for private use. The salaries and wages you pay to your workers can also be claimed as a tax deduction, including any super contributions that you make for them.

Repairs, maintenance, and operating expenses may also be claimed in some situations. The amount of these deductions may vary considerably and is dependent on the type of business that you run, which is why it's so important to keep up a relationship with an accountant.

Tax tips for employees

With the end of the tax year quickly approaching, it's time to educate yourself so that you can meet your tax obligations and reduce your tax liability. From vehicle and travel expenses through to self-education and tools, making the right deductions now could have a huge impact on your financial health going forward.

With different deductions available for work and private purposes, and many work-related deductions requiring stringent record keeping, it's hard to keep on top of it all. Instead of waiting until the end of June to get your financial records in order, perhaps it's time to set up an ongoing relationship with a qualified and experienced accountant.

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