



30th May 2018

Dear Valued Clients and Friends,

Wow, as I sit here and write this letter I wonder where the last financial year has vanished too? It has been a year of change, success for many of our clients and team members, challenges and achievements.

As a practice we have successfully implemented many changes in work practices, gained lots of valuable education, welcomed some new team members and a new baby girl to the team!

Staff Update & 2018 Individual Income Tax Returns

Since 2016, I have been personally transitioning out of completing individual salary and wage clients and focusing on consulting, staff training and reviews, taxation changes, CPA requirements and general compliance. I personally thank you all for adopting these changes and working with other members of our amazing team.

As a result of limited taxation appointments with myself many of you have developed a fantastic relationship with Sarah completing your income tax – we are so pleased to announce Sarah is now back in the office ready to take on the 2018 taxation season with enthusiasm after missing it last year due to her maternity leave.

We also welcome to our team to assist with taxation, financials, compliance and consulting two very experienced accountants - Jane Phillips CA and Lauren Bromley CA to assist myself, the team and our clients with the ongoing workflow on a contract basis. Both Jane and Lauren have over 15 years of management accounting and practice experience here in Geelong.

The relationship with Jane and Lauren particularly is important for July and August – **as I will be taking long service leave for the first time in 23 years from the peak of tax season.** Five years in the planning, this LSL will be very valuable time for myself, my family and my husbands extended family in Croatia, as we head over there for the months of July and August.

With my LSL and Sarah's limited face-to-face appointments, we are asking our individual clients to utilise our email/post in tax return service – this service will be quick and efficient, rather than waiting for appointments. Simply email/post or drop in your tax documents, referring to our detailed checklists, and we will prepare your return in an efficient timeframe around consultations and workflow. Refer to our attached fee schedule to see the benefits of undertaking our post in service.

As always we are extremely grateful for our amazing admin team who really are the ones who keep the workflow ticking, addressing your queries and just keeping the wheels turning smoothly – Simone, Kellie and Stacey – any queries, concerns or clarifications please do not hesitate to contact them and they will sort things out quickly and efficiently.

Business Financials, Taxation Compliance and Audit Activity

For our business and consulting clients - our turnaround times this year may be slightly longer with me being on LSL until September. Should you require urgent financials or consultation please do not hesitate to communicate with our team and Sarah, Jane or Lauren can assist – with their experience and attention to detail you are in safe hands.

This year the government will provide \$130.8 million to the ATO to increase compliance activities targeting individual taxpayers and their tax agents. Please ensure that you follow the checklist provided and can substantiate and provide receipts for all claims you make.

As we say every year, and truly mean it – I appreciate your ongoing support of our team and practice, and your patience this 2018 taxation season. It is our goal to continue to develop our business as a outstanding accounting practice. We aspire to maintain the exceptional serving of accounting, taxation, business support, wealth management and property investment services we have been consistently delivering to all our local, regional, metropolitan and overseas clients for 15 years.

The team at Jovic Accounting truly values each and every one of you and look forward to our continued friendship and business relationships for the years to come.

Warm Regards

Renée Jovic CPA, B. Com, Dip. FP
Managing Accountant & Director



2018 TAX CONFIRMATION OF ENGAGEMENT
 (Please bring with you to your appointment)

This form must be signed in order for your tax return to be lodged.

I hereby confirm the engagement of Jovic Accounting Pty Ltd to carry out the undermentioned:

SCOPE

Preparation and lodgement of 2018 Income Tax Returns and associated schedules. Electronic Lodgement service utilisation. Estimated Taxation Payable/Refundable statement.

It is understood that no audit has been carried out on the records provided. It is understood the assessment notice from the ATO will be emailed directly to me. Should there be any variation between that advised by Jovic Accounting and the assessment I receive I am able to contact Jovic Accounting to clarify.

Email Address _____

I am aware the ATO will now not issue cheques. All refunds must be direct deposited by the ATO. I wish for my refund (if applicable) to go to the following account:

Account Name: _____ Bank: _____

BSB: _____ Account No: _____

I also declare that Jovic Accounting Pty Ltd is permitted to lodge my Income Tax Return electronically on the basis that the original paper return signed by me will be held in the office of Jovic Accounting Pty Ltd for a period of not less than four years and be available for production to the Taxation Office on their request.

TERMS

It is agreed that the fees, as disclosed by Jovic Accounting Pty Ltd, will be paid prior to lodgement. Income tax returns will not be lodged until fees are paid in full either by cash, credit card or EFTPOS or arrangements to pay has been made, and that Jovic Accounting Pty Ltd has the right of lien over the records until full payment is made. I am aware that should I not pay I will be responsible for any account or debt collection fees.

Jovic Accounting is a CPA practice.



Name: _____

Signature: _____

Date: _____



Tax agent
71458007



Liability Limited by a scheme approved under Professional Standards Legislation.

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 Newtown VIC 3220

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 Level 14 / Suite 1410
 380 St Kilda Road Melbourne Vic 3000

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 www.jovicaccounting.com.au



PLEASE COMPLETE IF YOU ARE A NEW CLIENT OR YOUR DETAILS HAVE CHANGED SINCE 30 JUNE 2017

Full Name: _____

Date of Birth: _____

T.F.N: _____

A.B.N: _____

Spouse's Full Name: _____

Date of Birth: _____

T.F.N: _____

A.B.N: _____

Corporate Entity: _____

Trading Name: _____

T.F.N: _____

A.B.N: _____

Current Address: _____

Postal Address: _____

Phone Number: _____

Mobile Number: _____

Spouse Number: _____

Spouse Mobile: _____

Email Address: _____

Dependent Children

Full Name: _____

D.O.B: _____

Full Name: _____

D.O.B: _____

Full Name: _____

D.O.B: _____

Full Name: _____

D.O.B: _____

Bank Account Details

BSB: _____

Account Number: _____

Account Name: _____

Referred By

Income Items

- All PAYG Payment Summaries (i.e. group certificates)
- Details of any Allowances, Benefits, Earnings, Tips, Directors Fees, etc - *if you receive a meal or travel allowance please ensure your employer separately shows this on your PAYG Payment summary – no allowance shown potentially no claims as per ATO*
- Details of any bonuses from life insurance or income protection insurance payments.
- Consultancy or Contract Income plus related expenses
If registered for GST, please provide copies of your Business Activity Statements
- Details of any Lump Sum Payments
- Details of any Salary Package that is established and Fringe Benefits Tax information
- Eligible Termination Payment (ETP) Summaries / Statements
- Details of Government Allowances, Newstart Allowance, Parenting Payment or Pensions
- Pension or Annuity Statements
- Details of any Interest Earned on all bank accounts
- Dividend Statements from Shares
- Details of any Trust or Partnership Income
If you have received an income from a trust, syndicate or partnership we will need a copy of the annual tax statement you received from them.
- Capital Gains Issues from sales of shares, properties, other capital assets
If you have sold shares or property through the financial year please bring both the original purchase contracts and all sale contracts. If the shares were involved in a dividend reinvestment plan, please also bring all dividend statements.
- Foreign Sourced Income
- Asset Sales – Rental Properties, Shares etc.
You will need to bring with you the buying, selling and improvement costs of any asset you sold during the financial year.
- Rental Property Income and Expenses for Each Property (see checklist following)

Expense / Deduction Items

- Work Related Car Expenses & logbook – the ATO has this claim on their radar this tax season – *see brochure attached*
- Income Protection Insurance premiums
- Work Related Travel Expenses - another ATO audit target for 2018
Any travel for work errands, seminars or conferences including parking and tolls etc. - have allowance for ATO rates otherwise based on receipts you have
- Work Related Uniform, Occupation Specific, Protective Clothing, Laundry & Dry Cleaning - (must be logo clothing)
- Work Related Self-Education Expenses
TAFE fees, books, stationary, internet etc. for a course relating to your occupation.
- Other Work Related Expenses – another ATO audit target for 2018
Union fees, seminars, overtime meals, home office, tools, telephone, professional memberships, licenses or subscriptions, stationary, computer expenses, reference materials, sun protection, etc.



- Work related equipment purchases
Computers, calculators, brief cases etc.

- Interest & Dividend Deductions

Expense / Deduction Items Continued

- Gifts or Donations
School building funds, Child sponsorship etc.
- Cost of Managing Tax Affairs from previous year
Tax agent fees and number of kilometers travelled, Other fees for professional taxation or accounting advice
- Details of Accounting or Taxation Advice Fees
- Tax deductible investments (e.g. agribusiness)

Other Information Required

- Family Tax Benefit received from Centrelink
- Details of any PAYG Instalments paid by you personally
- Details of spouse and their separate taxable income
- Details of any Superannuation Contributions made personally or for a spouse
- Private Health Insurance Details
- HELP or Student Financial Supplement Loan details

This year the claims mostly under attack by the ATO include the following:

- **Travel allowance expenses claims up to the ATO's prescribed reasonable amount**
- **Car expense claims under the 'cents per km' method**
- **Work expense claims of up to \$300, and laundry claims of up to \$150, where receipts are not required**

Substantiation of Claims

The ATO has cracked down on individual tax payers, their claims, their ability to substantiate and the relevance to income. *Please ensure you have receipts and substantiation and keep for 5 years*



2018/19 TAX & BUSINESS PRICES

GEELONG OFFICE - 80 Pakington Street – Geelong West

Tax Return appointment:	\$220.00
Tax Return appointment with Renée:	\$330.00
Tax Return posted:	\$190.00
Student/Pensioner Tax Return:	\$140.00
Schedules (rental/cgt/etc):	\$110.00
Sole Trader Tax Return:	\$350.00
Partner (Renée) Hourly Rate:	\$350.00 per hour
Accountant Hourly Fee:	\$250.00 per hour
Administration:	\$130.00 per hour
No Show Fee:	\$150.00
Cancellation Fee of less than 24 hours:	\$150.00
Re- Pick up fee:	\$ 60.00
Ongoing Bookkeeping:	\$ 60.00 per hour
Bookkeeping:	\$110.00 per hour

MELBOURNE OFFICE - Suite 1410, 380 St Kilda Road – Melbourne

Tax Return appointment:	\$350.00 invoiced
Tax Return posted:	\$190.00 invoiced
Schedules (rental/cgt/etc):	\$132.00
Sole Trader Tax Return:	\$380.00
Partner (Renée) Hourly Rate:	\$385.00 per hour
Accountant Hourly Rate:	\$260.00 per hour
Administration:	\$130.00 per hour
No Show Fee:	\$200.00
Cancellation Fee of less than 24 hours:	\$200.00
Re- Pick up fee:	\$ 60.00

Due to our accountants travelling especially to the Melbourne office for appointments, times are limited and will only be booked to work with other appointments. If an appointment is cancelled and our office contacts you requiring you to change your appointment time, within reason, we ask that you please be flexible.

All fees quoted above are based on a client presenting organised information, particularly for income tax return processing.

Please note emails and telephone advice is billed on time at the accountant's discretion.

Please be aware that there are additional fees for requesting additional copies of documents, clients will be charged accordingly.

Please make all email contact to admin@jovicaccounting.com.au

Due to a large amount of clients defaulting on payment, we appreciate you making payment on the day of your appointment unless otherwise organised with the accountant.

Please note that our payment terms for Individual Income Tax Returns posted or emailed is payment prior to lodgement.

We have the following payment options available – Cash, Cheque, Direct Transfer, EFTPOS Facilities. Please note that there is also a 1.2% surcharge on all credit card transactions.

Rental Property Checklist 2018

Please complete a separate form for each rental property.

Address: _____

Property Owned By: _____ Percentage: _____

Property Owned By: _____ Percentage: _____

Date Property first earned rental income: _____

Dates Rented: _____ Weekly Rental: _____

Number of Weeks Vacant: _____

Newly Acquired Properties

Purchase Price & Costs: _____ Purchase Date: _____

(Please provide copies of purchase contracts for our records)

Sale Price & Costs: _____ Sale Date: _____

(If you have sold this property please include details)

Please note that Stamp Duty is not a deductible item

Income

- Gross Rental Income \$ _____ (please provide agent annual statement)
- Other Rental Income \$ _____

Please provide Agent Rental Statement if applicable

- | | |
|--|---|
| <p><input type="checkbox"/> Advertising for tenant \$ _____</p> <p><input type="checkbox"/> Bank Charges \$ _____</p> <p><input type="checkbox"/> Body corporate fees \$ _____</p> <p><input type="checkbox"/> Borrowing expenses \$ _____</p> <p><input type="checkbox"/> Cleaning \$ _____</p> <p><input type="checkbox"/> Council rates \$ _____</p> <p><input type="checkbox"/> Capital allowance \$ _____</p> <p style="padding-left: 20px;">Depreciation on plant (Section 40)</p> <p><input type="checkbox"/> Depreciation Report Yes / No
<i>Please email if available</i></p> <p><input type="checkbox"/> Gardening/lawn mowing \$ _____</p> <p><input type="checkbox"/> Insurance \$ _____</p> <p><input type="checkbox"/> Interest on loan(s) \$ _____</p> <p><input type="checkbox"/> Land tax \$ _____</p> <p><input type="checkbox"/> Legal fees \$ _____</p> <p><input type="checkbox"/> Pest control \$ _____</p> <p><input type="checkbox"/> Property Agent fees/
Commission \$ _____</p> | <p><input type="checkbox"/> Repairs & maintenance \$ _____</p> <p><input type="checkbox"/> Capital works deduction \$ _____
<i>(Section 43)</i></p> <p><input type="checkbox"/> Stationary, telephone
& postage \$ _____</p> <p><input type="checkbox"/> Water rates/charges \$ _____</p> <p><input type="checkbox"/> Sundry rental expenses \$ _____</p> <p><input type="checkbox"/> _____ \$ _____</p> <p><input type="checkbox"/> _____ \$ _____</p> <p><input type="checkbox"/> _____ \$ _____</p> <p><input type="checkbox"/> _____ \$ _____</p> |
|--|---|
- NOTE: DEDUCTIONS TO BE DISALLOWED:**
- Travel claims from 1 July 2017 (no longer available)
 - Changes to Plant & Equipment - Depreciation effective from Budget Night 2017 you can only claim what you pay for yourself

COMPULSORY POST IN CHECKLIST

Please note "SAME AS LAST YEAR" will not be accepted please fill in the below and attach this to your documents this is due to increased ATO Audit Activity.

What is your Occupation _____

Number of Dependent Children _____

Do you have Hospital cover if so please provide statement from complying health fund.

Deductions

Work Related Car Expenses & logbook

To claim using the log book method you will need to provide the below and have a valid log book showing business and private use for 12 continuous weeks.

Start Odometer as at 1/7/17 _____

Finish Odometer as at 30/6/18 _____

Cost for motor vehicle

Petrol _____ Services _____ Tyres/Battery _____ Rego _____

Repairs _____ Insurance _____ Lease Payments _____ Interest _____

Other expenses _____

If you don't have a log book how many work related kms you have recorded for. You can claim up to a maximum of 5000KMs but will need written evidence if you become audited

KMS _____

Work Related Travel

Tolls _____ Parking _____ Taxi _____ Other _____

Meal, accommodation and incidental expenses incurred for overnight work

(Receipts needed) _____

Work Related Uniform – Logo, Safety or work specific (cannot claim laundry if not logo)

Laundry Y / N _____ Uniform Cost & Description _____

Dry-cleaning _____ Other _____

Other Work Related Deductions

Do you use your mobile for work if yes do you have a diary with 1 month documentation if so

How much per month \$ _____ Work related percentage _____

Do you use your internet for work if yes do you have a diary with 1 month documentation if so

How much per month \$ _____ Work related percentage _____

Do you work from home if yes how many hours per week _____

All other deductions please refer to our checklists



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Logbook method

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Next step:

- Use the [myDeductions tool](#) ([/General/Online-services/In-detail/myDeductions/myDeductions/](#)) in the ATO app to record your business-related car expenses

Logbook calculation

If you use the logbook method you can claim the business-use percentage of each car expense, based on the logbook records of your car's usage.

You do this by:

- dividing the **distance travelled for business** by the **total distance**. Multiply by 100 to provide the percentage
- determine your **total expenses**, including depreciation, for the income year
- multiply your total expenses by your percentage to find the total amount you can claim.

Logbook records

Under this method you need to:

- keep a pre-printed logbook (available from stationery suppliers) or make your own logbook
- have written evidence of your fuel and oil costs, or odometer readings on which your estimates are based
- have written evidence for all your other expenses.

You can create a logbook and record work-related car trips using the myDeductions tool in the ATO app. If you use and record your trips using myDeductions you don't need to keep paper records as well.

Example: Traveling for work

At the end of the income year, Tim's logbook shows he travelled a total of 11,000 kilometres. 6,600 were for business.

To work out the percentage of car travel used for business purposes, Tim made the following calculation: $6,600 \div 11,000 \times 100 = 60\%$ of travel was for business purposes.

Tim's total expenses, including depreciation, are \$9,000 for the income year. To work out how much he could claim, Tim completed the following calculation:

$$\$9,000 \times 60\% = \$5,400$$

Logbook timeframe

If this is the first year you have used the logbook method you must keep a logbook during the income tax year for at least 12 continuous weeks. That 12 week period needs to be representative of your travel throughout the year.

If you started to use your car for business purposes less than 12 weeks before the end of the income year, you can continue to keep a logbook into the next year so it covers the required 12 weeks.

Each logbook you keep is valid for five years, but you may start a new logbook at any time.

If you establish your business-use percentage using a logbook from an earlier year, you must keep that logbook and maintain odometer readings in the following years.

Using the logbook for two or more cars

If you want to use the logbook method for two or more cars, the logbook for each car must cover the same period. The 12-week period you choose should be representative of the business use of all cars.

What to record in your logbook

Each logbook you keep must contain the following information:

- when the logbook period begins and ends
- the car's odometer readings at the start and end of the logbook period
- the total number of kilometres the car travelled during the logbook period
- the business-use percentage for the logbook period
- the number of kilometres travelled for each journey recorded in the logbook (if you made two or more journeys in a row on the same day, you can record them as a single journey). You will need to record the
 - start and finishing dates of the journey
 - odometer readings at the start and end of the journey
 - kilometres travelled
 - reason for the journey.
- the odometer readings at the start and end of each income year you use the logbook method.

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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