

# Glenn Longmire & Associates

Certified Practising Accountants  
Registered Tax Agents  
Liability limited by a scheme approved  
Under Professional Standards Legislation

Glenn Longmire FCPA  
ABN: 13 503 012 367



Telephone: (08) 9354 2176  
Facsimile: (08) 9354 1606  
Email: glenn@glennlongmire.com.au



Tax agent  
32581004

Business tax updates is an exclusive service provided to the members of Australianbiz. These monthly updates are also available to members on our website.

## 2017 EOFY Tax Compliance & Accounting Checklist

With the start of the new financial year, business owners should now be focusing on end of financial year tax and accounting procedures, including understanding the relevant tax changes that apply from 1 July 2017.

### Tax procedures

- Ensure that BAS lodgements and super guarantee (SG) contributions are accurate and up-to-date. From 1 July 2017, Simpler BAS reporting applies for small businesses with a GST turnover of less than \$10 million whereby only G1 Total Sales, 1A GST on Sales, 1B GST on purchases needs to be reported to the ATO.
- Where your business is behind on its tax and BAS payments, payment arrangements should be entered into with the ATO and complied with. Note the ATO has new powers from 1 July 2017 whereby they can report outstanding business tax debts of more than \$10,000 to credit reporting agencies.
- Reconcile payroll and provide 2017 PAYG Payment Summaries to your employees by Friday 14 July 2017. Also the 2017 PAYG Payment Summary Statement needs to be lodged with the ATO by Monday 14 August 2017. Ensure that salary sacrifice superannuation contributions and certain reportable fringe benefits have been included on the PAYG Payment Summaries. Note that penalties may be imposed by the ATO where these and other documents are not lodged on time.
- Where your business operates in the building & construction industry and pays contractors for building and construction services, you need to report those payments to the ATO on the taxable payments annual report by Monday 28 August 2017.
- Annual Payroll Tax Reconciliation for the 2016/17 year (if registered for Payroll Tax) is due by Thursday 21 July 2017
- The Superannuation Concessional (before tax) Contributions Cap reduces to \$25,000 for all employees from 1 July 2017. This may require an adjustment to your employee's salary sacrifice arrangements.
- Where your business operates as a company and GST turnover is less than \$25 million, the tax rate reduces to 27.5% for the 2017/18 year. This should be factored into the calculation of tax payments for the year.

### Accounting procedures

- Back up your data file prior to rollover and ensure compliance with record-keeping requirements. The ATO requires businesses to keep records for at least five years.
- Have your accountant review the GST codes assigned to profit & loss and balance sheet items to ensure they are correct so that you are lodging accurate BAS's.
- Where your business carries stock, the stocktake of inventory should have been completed by 30 June 2017. Any unders/overs of stock quantities and spoilage identified from the stocktake process should be adjusted in the stock module as at 30 June 2017 to ensure it is reflected in the 2016/17 figures.
- Where your business has substantial plant & equipment, the stocktake of fixed assets should have been completed by 30 June 2017. Any adjustments required to the assets register identified in this stocktake including description, location, quantity and damage/obsolescence needs to be recorded in the assets module as at 30 June 2017 to ensure it is reflected in the 2016/17 figures.
- Review your balance sheet and profit & loss statement to confirm:
  - Bank accounts and loans are reconciled.
  - All income, including cash sales, has been recorded.
  - Receivables and payables subsidiary ledgers are reconciled to the general ledger.
  - GST and PAYG withholding accounts are reconciled to the June BAS.

## ***Glenn Longmire & Associates***

Certified Practising Accountants  
Registered Tax Agents  
Liability limited by a scheme approved  
Under Professional Standards Legislation

*Glenn Longmire* FCPA  
ABN: 13 503 012 367



Telephone: (08) 9354 2176  
Facsimile: (08) 9354 1606  
Email: glenn@glennlongmire.com.au



Tax agent  
32581004

- Wages in the profit & loss is reconciled to the PAYG Payment Summaries.
- Capital items such as plant & equipment purchases have not been expensed as repairs.
- Amounts in suspense have been allocated to the appropriate account.
- Personal expenses have not been claimed as business.
- Material differences to the prior year can be properly explained.
- Where your accountant prepares the annual financial statements on their own software, ensure the adjusting journals have been posted in your general ledger so that your accounts agree to the accountant's at 30 June 2017.

### **Disclaimer**

Tax updates are provided solely for general information purposes and are not intended as professional advice. Readers should not act on the information contained therein without proper advice from a suitably qualified professional.

Australianbiz, its representatives and the author(s) expressly disclaim all liability for any loss or damage to any person or organisation, whether a user of this site or not, for the consequences of anything done or omitted to be done by any such person relying on the contents of this information