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**Subject:** Business Tax Update - December 2024  
**Importance:** High



**Tax & Management Tools  
For Small Business**

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### Tax News and Updates December 2024

No.	Article	Link
1.	<p><b>Super clearing house end-of-year key dates</b></p> <p>The ATO will shut down over the break from 12.00PM on 24 December 2024 and reopen from 8.00AM on 2 January 2025. This includes contact centres.</p> <p>It's important that you and your clients know the key dates for the Small Business Superannuation Clearing House as the ATO may not be processing payments during this period.</p> <p>Get superannuation in well before these times by:</p> <ul style="list-style-type: none"><li>• <b>Tuesday, 10 December 2024 at 5:30PM (AEDT)</b>, all superannuation payments with instructions received after close of business on this date will be processed from 2 January 2025, and</li><li>• <b>Tuesday, 28 January 2025</b> - payments of superannuation are due for the December 2024 quarter.</li></ul>	<p><a href="#">ATO website</a></p>
2.	<p><b>2025 – 2026 Pre-Budget submissions</b></p> <p>It's that time of year again where the Government is already thinking about the May Budget. Time certainly does fly and with an election looming, this will be one to watch in the coming months! Even in the last week, it looks like some of the Government's proposed superannuation changes (for example, the \$3 million cap) could be delayed until the new year or until after the next election.</p>	<p><a href="#">Treasury website</a></p>

	<p>The Government has invited individuals, businesses and community groups to submit their ideas and priorities for the upcoming 2025 – 2026 Budget, to get as wide a range of views as possible.</p> <p>Submissions are due by Friday 31 January 2025.</p> <p>The 2025 - 2026 Budget is expected to be announced by the Treasurer at 7.30PM (Canberra time) on Tuesday 25 March 2025.</p>	
3.	<p><b>Staff celebrations and FBT</b></p> <p>The ATO recently updated its guidance on fringe benefits tax (<b>FBT</b>) in preparation for the holiday season, offering advice to businesses planning celebrations for their employees.</p> <p>Before booking a venue or organising an event, businesses should determine if the benefits provided to employees are considered entertainment-related and subject to FBT.</p> <p>You and your clients should consider:</p> <ol style="list-style-type: none"> <li>1. the amount spent per employee;</li> <li>2. the timing and location of the event;</li> <li>3. the attendees, including whether only employees or also partners, clients, or suppliers are invited; and</li> <li>4. the nature and value of any gifts provided.</li> </ol> <p>If employers provide entertainment-related benefits, they must maintain detailed records to calculate the taxable value accurately. Understanding FBT obligations before offering perks can help businesses avoid unexpected FBT liabilities.</p> <p>Even in circumstances where no fringe benefits are provided, or no FBT is payable, you may still decide to lodge a nil FBT return.</p>	<p><a href="#"><u>ATO website - could you staff celebrations attract FBT?</u></a></p>
4.	<p><b>ATO review of Medium and Emerging Private Groups</b></p> <p>The ATO recently commenced contacting newly classified businesses under its 'Medium and Emerging Private Groups Tax Performance Program'. The ATO usually contacts clients in these categories when it's considering conducting a review or an audit.</p> <p>You and your clients may be contacted by the ATO if clients and/or their associates:</p> <ul style="list-style-type: none"> <li>• control wealth between \$5 million and \$50 million, or</li> <li>• have annual turnover of more than \$10 million, but who aren't foreign entities or public entities.</li> </ul> <p>You should have the following items ready at your fingertips when the ATO comes knocking:</p>	<p><a href="#"><u>Is your business getting bigger? Australian Taxation Office</u></a></p>

- latest and complete structure diagram of your client's group and assets;
- the last 2 years of financial statements, preferably signed by the client; and
- Division 7A loan agreements, trust deeds and resolutions, and company constitutions.

The ATO itself has highlighted four key areas of potential errors that it will be considering for clients in these categories:

1. Trust governance (deeds and resolutions);
2. Division 7A compliance for loan arrangements;
3. proper application of capital gains tax concessions; and
4. omitted income and accurate reporting of income.

We recommend that you liaise with your client and proactively review their affairs. You don't want to be scrambling at the last minute. We can also send you our checklist which sets out the ATO's target areas and questions in more detail.

**Clients can't use their SMSF for presents this Christmas**

There are very limited circumstances where clients can legally access their super early and paying bills and buying Christmas presents doesn't necessarily make the list.

Generally, you can only access your super when you:

- reach preservation age and retire, or
- turn 65 even if you're still working.

To access your super legally before then, clients must satisfy a condition of release, such as reaching preservation age, transition to retirement pensions, or more serious circumstances such as incapacity. Otherwise, serious penalties can apply.

[ATO website](#)

**Tax Practitioners Board expands consultation on draft guidance**

The Tax Practitioners Board (TPB) has released draft policy guidance for public consultation to help tax agents and BAS agents understand their new obligations under the *Tax Agent Services (Code of Professional Conduct) Determination 2024*.

The latest guidance covers key areas such as:

1. ethical standards of the tax profession;
2. handling false or misleading statements;
3. managing conflicts of interest when undertaking activities for government and maintaining confidentiality in dealings with government;
4. maintaining proper client records of tax services provided;
5. ensuring supervision, competency and quality management; and

[TPB expands consultation on draft Code Determination guidance | Tax Practitioners Board](#)

	<p>6. keeping clients informed.</p> <p>The TPB encourages feedback from tax practitioners, stakeholders, and professional associations, with the aim of improving tax practitioner standards and addressing tax avoidance and fraud.</p> <p>The new code requirements effectively apply from 1 July 2025, except for larger firms (with more than 100 staff) who must comply from 1 January 2025.</p> <p>These are substantial obligations placed on tax and BAS agents, which will influence their decisions regarding whether to retain or take on clients in specific situations.</p>	
7.	<p><b>Commissioner's opening statement – Senate Economics Legislation Committee, 6 November 2024</b></p> <p>The ATO's new Commissioner Mr Rob Hefernen provided updates on key areas to the Senate on 6 November 2024.</p> <p>The main items were about the ATO's assertive posture on debt collection and the benefits of clients making voluntary disclosures where mistakes have occurred.</p> <p>You know what to expect from the ATO over the coming months. We recommend reminding clients that proactively engaging with the ATO will lead to a far better outcome instead of burying their heads in the sand.</p>	<p><a href="#">ATO website</a></p>

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