



ROSE GUERIN
CHARTERED ACCOUNTANTS

Individual Tax Return Checklist 2011

This checklist has been prepared by Rose Guerin Chartered Accountants to assist clients to prepare for their 2011 individual tax return.

Category	Description	Tick if attached
Income	Salary or wage Obtain and attach PAYG payment summaries.	
	Allowances, earnings, tips, director's fees, etc. Please attach Payslip(s)	
	Employer lump sum payments These payments are in respect of unused annual and long service leave paid out on termination of employment. Attach a copy of a statement of termination from your employer	
	Employment termination payments (ETP's) Obtain and attach any ETP payment summaries and employer termination Statements	
	Australian Government allowances and payments like Newstart, youth allowance and Austudy payment Provide details of all Youth Allowance, Newstart, Sickness Allowance or Special Benefit, or other educational or training allowances.	
	Australian Government pensions and other allowances and Other Australian annuities and superannuation income streams Attach details of taxable and rebatable components of pension eg statements.	
	Australian superannuation lump sum payments Attach any statements or documents Superannuation lump sums paid from a taxed source to a person aged 60 or over are tax free. Lump sums paid to persons under 60 are still taxable.	
	Attributed personal services income (PSI) Attach all Payment Summaries See Rose if you believe you may have PSI	



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	<p>Gross interest Interest that is received or credited in a year is taxable. Please include full year's bank statements</p>	
	<p>Dividends Unfranked, partly franked and fully franked dividends are assessable for taxation purposes. Attach all dividend statements.</p>	
	<p>Employee Share Schemes Attach all information concerning employer scheme.</p>	
Supplement Income or Loss	<p>Partnerships and trusts Attach information that details partnership, trust or a managed investment trust fund payments and type of income received. Note: from 1 July 2010 trustees of closely held trusts are required to withhold amounts from distributions to individual beneficiaries who have not provided their TFN. Beneficiaries who have had amounts withheld from their trust distributions can claim a credit</p>	
	<p>Personal Services Income (PSI) If you are a sole trader and you received income of 80% or more from one client- you will be classified as PSI. Note: There are special rules for the tax treatment of PSI earned by sole traders including contractors and consultants. Contact Rose for more information. Also Note: if you derived income from business and you are a small business entity you may be eligible to claim the entrepreneurs tax offset if your business turnover is less than \$75,000.</p>	
	<p>Net income or loss from business Provide all details if you received income from any business other than PSI.</p>	
	<p>Capital gains Provide: Description of the asset, the purchase date, the purchase cost, the date and amount of any expenditure incurred including eligible incidental costs, the sale date, and the sale proceeds amount.</p>	
	<p>Rent Provide details of:</p> <ul style="list-style-type: none"> • Rental income earned • Interest charged on money borrowed for the rental property • Details of other expenses relating to the rental property • Details of any capital works expenditure to the rental property. <p>Note to clients: Borrowing costs are claimed over the life of the loan</p>	



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	<p>or five years, whichever is the lesser. Also, you may be able to claim the a tax deduction for the construction cots of the property or structural improvements. See Rose for further information.</p>	
	<p>Bonuses from life companies and friendly societies Provide documentation regarding bonuses received on insurance bonds issued by life insurers and friendly societies. Bonuses are tax free if cashed in after 10 years. If not, the bonuses may be taxable and a rebate can be claimed.</p>	
	<p>Other income Have you received any other benefit / income during the year that has not been discussed above? Examples include:</p> <ul style="list-style-type: none"> • A non-qualifying component of an ETP • Lump sum payments in arrears • Foreign exchange gains • Royalties • Scholarships, bursaries, grants • Any assessable balancing adjustments on depreciating assets • Jury service fees 	
<p>Deductions</p>	<p>Work related car expenses</p> <p>1. Cents per kilometre method Claim is based on a set rate for each business kilometre travelled. Rates are based on the vehicle’s engine capacity. You are able to claim costs by applying the set rate up to a maximum of 5,000 business kilometres. The rates for the 2010 year are as follows:</p> <p>Engine capacity (non-rotary) Rate per kilometre Up to 1600cc 63 cents 1,601 to 2,600cc 74 cents Over 2,600cc 75 cents</p> <p>Engine capacity (rotary) Rate per kilometre Up to 800cc 63 cents 801 to 1,300cc 74 cents Over 1,300cc 75 cents</p> <p>2. 12% of original value method Claim is based on 12% of the original value of the car. Maximum car value that can be claimed is \$57,466. You must have travelled greater than 5,000 business kilometres.</p>	



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	<p>3. One-third of actual expenses method Claim is based on one third of car expenses. Examples of car expenses include fuel, repairs, maintenance, registration, lease costs, depreciation, interest on borrowings, car washing and parking. Your car must have travelled greater than 5,000 business kilometres.</p> <p>4. Logbook method Claim is based on the business use percentage of car expenses. Ensure log kept for 12 consecutive weeks and business use percentage did not vary more than 10%.</p> <p>IT IS RECOMMENDED THAT CLIENTS USE THE LOG BOOK METHOD! Contact Rose if you need a log book.</p>	
	<p>Work related travel expenses</p> <p>Domestic Travel To make a claim you are generally required to sleep away from home. Expenses include meals, accommodation, car hire and incidentals, such as tolls, parking and hire of third party vehicles.</p> <p>Overseas Travel You must have documentary evidence as well as diary. Substantiation is not required if you have received a 'reasonable allowance' from your employer for accommodation (domestic only), food, drink and incidentals if allowance within ATO limits. See Rose for further information.</p>	
	<p>Work related uniform, occupation specific or protective clothing, laundry and dry cleaning expenses Protective clothing and safety footwear – clothing or footwear that is specifically designed to protect, or:</p> <ul style="list-style-type: none"> • Compulsory uniforms – non-conventional clothing that the employee is compelled to wear or • Occupational-specific – clothing that identifies a person as a member of a specific profession, trade, vocation, occupation, or calling. <p>Substantiation not necessary for reasonable claims up to \$150 in respect of above mentioned clothing..</p> <p>Tax tip: you can only claim laundry and dry cleaning expenses in respect of work-related uniforms and occupation specific clothing.</p>	
	<p>Work related self-education expenses Examples include student union fees, books, stationery, consumables, travel, and depreciation.</p> <p>Tax tip: the ATO pays particular attention to these items, so ensure</p>	



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	that you have receipts/evidence of payment. Note also that \$250 of eligible self-education expenditure is not allowable	
	<p>Other work related expenses Examples include union fees, seminars, overtime meals, home office, telephone, subscriptions, briefcase, calculator, electronic organisers, and assets not exceeding \$300</p>	
	<p>Gifts or donations Ensure that all donations you make are to endorsed deductible gift recipients. Please provide receipts.</p>	
	<p>Cost of managing tax affairs Note: This also includes travel to my office for your tax strategy meeting. Please attach documents/receipts</p>	
Offsets and Rebates	<p>Education tax refund If you have school age children you may be entitled to Family Tax Benefit A. If so, a 50% rebate is available for costs including educational software, home computers, internet connection costs, printers, school texts and trade tools used in school. The maximum rebate is \$397 for each child in primary school and \$794 for each child in secondary school.</p>	
	<p>Superannuation contributions on behalf of your spouse You can claim a rebate on superannuation contributions made on behalf of a spouse where the total spouse's assessable income and reportable fringe benefits is less than \$13,800. The maximum rebate is \$540.</p>	
	<p>Private health insurance Provide details of your health fund.</p>	
	<p>20% tax offset on net medical expenses over the threshold amount Provide details of gross medical expenses (provide all medicare and private health company receipts). The 20% rebate is available if your net medical expenses (and dependents) exceeds \$1,500. Tax tip: The rebate applies to most medical and related therapeutic treatment of a taxpayer and dependents but excludes certain cosmetic surgery. Provide all dental receipts.</p>	
	Entrepreneurs tax offset	



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	<p>25% tax offset is available you have a small business and the aggregated turnover is less than \$50,000. If the aggregated turnover exceeds \$50,000, the offset is phased out until it reaches \$75,000.</p> <p>Note: Changes to the Entrepreneurs Tax Offset are to be introduced from 1 July 2009 to restrict the eligibility of individuals whose income is over \$70,000 for singles and \$120,000 for those with a family.</p>	
Foreign income	<p>Target foreign income</p> <p>Disclose if you have received income from sources outside Australia that is neither part of your taxable income nor a fringe benefit.</p> <p>Note: Show all foreign income in Australian dollars.</p>	

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