

### TAX RETURN CHECKLIST

This checklist is provided to assist you with the preparation of your individual tax return.

Listed below is a checklist of items you should consider and any documentation you should provide to your accountant so they can prepare your tax return.

#### Income

##### Payment Summaries – Including Lump Sum Payments (Employment Termination Payments)

PAYG Payment Summaries are now available to your accountant directly from the ATO, if you have a breakdown of any allowances including meal, travel, fares, site, uniform, laundry and tools, please provide. Your statement of termination payment information must be included in your tax return.

##### Dividends & Shares

Details of acquired or sold shares including the date and cost of purchase and sale. Please bring dividend statements to review franking credits received (includes employee share schemes).

##### Interest

Any accounts held with a bank or financial institution (including joint accounts) require details of the branch, account number, name of account holder and amount received for each account. If TFN withholding tax has been deducted, please provide the amount of tax deducted.

##### Capital Gains

If you have disposed (sale or gift) of property, shares, investments, cryptocurrency, or non-fungible tokens (NFT's) this financial year, you will need to calculate a capital gain or loss and record it in your return. Provide detailed information about acquisition costs and dates and disposal proceeds received. Contracts and settlement statements are ideal.

#### Rental Property

- All income and expenses in relation to rental properties including loan statements. Bring along your Quantity Surveyor's depreciation report, if you don't have this please contact our office.
- Generally interest reduces each year. Any loan redraws must be related to the investment property in order to claim the amount of interest. Private redraws shall reduce the percentage of interest that can be claimed.
- Capital works need to be depreciated and not claimed as repairs.

Holiday homes are under close scrutiny for 'blackout' periods to determine if they are genuinely available for rent. When you rent out all or part of your residential home or unit through a digital platform, for example Airbnb, Home Away or Flipkey you need to keep records of all income and expenses and declare it in your tax return.

#### Deductions

##### Work Related

Details of expenditure including invoices/receipts or other documentation.

##### Motor Vehicle Expenses

You may be able to claim employment related travel. Do you have a log book or an estimate of work related kilometres?

An automatic deduction for 5,000km is not allowable. You must have a reasonable basis for the work related kilometres that are claimed.

## Uniforms and Protective Clothing including Laundry

You may be able to claim the cost of purchase, dry cleaning and maintenance.

This is only deductible if you are required to wear a work uniform or protective clothing and have incurred the cost.

A claim may also be allowed for sun protection items, e.g. sunscreen, hats and sunglasses if you work outdoors.

Please note: Be mindful of claiming laundry if you have been working from home.

## Travel/Conferences/Courses

Details of nature of the travel/conference/courses undertaken, a list of expenses incurred with supporting documentation.

## Income Protection

Did you pay any personal insurance premiums for the last financial year? Provide your annual policy schedule to include cover held.

## Depreciation

Any assets purchased for work related activities over \$300 need to be depreciated from the date of purchase.

## Donations/Gifts

Please ensure your donation was made to an endorsed DGR (Deductible gift recipient).

A gift is voluntary transfer of money or property where you receive no material benefit or advantage.

## Other Related Deductions

- Mobile and home telephone and internet expenses, ensure deductions are claimed only if expenses are genuinely incurred for work purposes. Ensure that any proportion is a fair representation. High proportions are being flagged and investigated.

## Superannuation

If you have made contributions over and above your employer contributions, please provide details. Personal contributions paid to a complying superannuation fund may be eligible for the government co-contribution or a tax deduction. You require a notice of intent to claim a personal deduction in your tax return.

## Other

- Cashed in life assurance policies where the policy was held for less than 10 years.
- Foreign income (employment and/or pensions) and tax credits attached to that income.
- Private health insurance tax statement from your fund are now supplied by the ATO.
- Income of Spouse
- Subscriptions and technical journals - excluding sporting clubs. Include political parties.
- Tools and equipment.
- Please ensure you bring any mortgage loan statements if you would like us to review your finance.

## Working from home expenses

The ATO have reverted back to two ways of calculating home office expenses depending on your circumstances: The methods are the:

The COVID 80c/hr is no longer available.

**Fixed rate method** (52 cents)

**Actual cost method**

[CLICK HERE for further information on the ATO website for home office expenses.](#)

## ATO focus areas for 2022

The ATO have their sights on people submitting their 2022 tax returns, and will be on the lookout for the following:

- Record keeping
- Work-related expenses incorrectly claimed
- Rental property deductions
- Capital gains from cryptocurrency, property and shares
- Home office costs

Please be aware that the ATO have a focus on certain areas to ensure employees/employers have complied with the requirements of the government's COVID-19 stimulus packages. Your accountant can explain in further detail.