

அவுஸ்திரேலியப் புவரத சூங்கி சயதும



# ATCC NEWSLETTER

## 'What an Opportunity!!! - what does 2016 Census mean for Small Business'



2016 Census results revealed the majority of people born overseas now from Asia, not Europe. The Census highlights the growing number of Asians living in Australia. The Asian population, which grew from 32.9 percent to 39.7 percent compared to the European, which dropped from 40.3 percent of the overseas-born population in 2011, to 33.9 percent in 2016. That also leaves about 26 percent of residents born overseas coming from Africa, Middle East, The Americas, Oceania and Antarctica.

The above only relate to the 26 percent of Australians born overseas, the other 67 percent of residents were born in Australia.

China and India are now the most common countries of birth for new arrivals and have seen the most growth. The Chinese now makeup 8.3 percent of those born overseas, up from 6 percent in 2011. India has also increased from 5.6 percent to 7.4 percent.

### Languages

There are more than 300 languages spoken in Australian homes. About 72 percent of the population speaks only English and 21 percent spoke a language other than English at home.

### Diversity

Australian were born in close to 200 different countries and almost half of the population in 2016 has been born overseas or had at least one parent born overseas.

### Helping Small Business

Western Sydney is the fastest growing area and home to most of the Asian Families. The boom will change the landscape and provide opportunity for start-ups and growth for small business.

**It is the right time to start a small business, please contact representative from ATCC to inquire further.**

### Inside This Issue

- 1 2016 Census
- 2 Message from the President
- 2 Upcoming Events
- 3 New Committee
- 4-6 Business Profiles
- 7-16 Other Articles
- 11 Community Events
- 12 Legal Articles

### Newsletter Editorial Committee

Anita John

Vindran Vengadasalam

### ATCC Gold Sponsors



## Message from ATCC President

It is with great pleasure to welcome our second bi-monthly Newsletter.

I believe there is great potential for our organization the Australian Tamil Chambers of Commerce Inc (ATCC), as we move on to another level of growth within our Tamil business community. We will continue to make a difference in the business community and strive for higher goals and visions.



Our first Annual General Meeting (AGM) was held in Anjappar Chetnad Indian Restaurant, Parramatta on 21 June 2017 and it was a successful meeting of minds. The election of a new committee was the highlight of the AGM and I have the honor of being the President for another term. I would like to thank the committee members who finished their term and a warm welcome to the new committee. When I look at our organization and think about how far we have come and none of our achievement would have been possible without each and every one of our members, committee members and our sponsors' support. You are what makes ATCC so special and each one of you is the driving force behind this thriving organization.

An exciting event our organization is looking forward to is the Annual Trade Show and Awards Night to be held on Sunday 12 November 2017 at The Grand Royale, Granville from 2 pm. The Awards Night aims showcase and recognize outstanding achievements in Tamil businesses.

ATCC is the voice of Tamil business in Australia for our members and those Tamil businesses who are not yet members of our organization. To our members and sponsors, I thank you for your continued support and more importantly your participation, for without it our organization would not thrive and grow.

Unite we stand, divided we fall.

**Samuel Thevasaeyan**

## ATCC UPCOMING EVENTS

<u>Date</u>	<u>Event</u>	<u>Time &amp; Location</u>
Wed, 26 July 2017	<b>Networking</b> Guide to Personal and Business Tax Deduction Mr Ravichandran – Accountant & Registered Tax Agent Mr Shan Shankar – Principal of Tax Guru Accountants, Registered Tax Agent	7pm at Yaarl Function Centre, 221A Wentworth Ave, Pendle Hill NSW 2145
Wed, 30 August 2017	<b>Networking</b> Changes in Migration Regulation 457 VISA How does it affect Small Business? Thiruvengadam Arumugam JP Registered Migration Agent/NIC Immigration Services	7pm at Yaarl Function Centre, 221A Wentworth Ave, Pendle Hill NSW 2145
Wed, 27 September 2017	<b>Networking</b> Turning Ideas into Reality NDIS Service Providers	7pm at Yaarl Function Centre, 221A Wentworth Ave, Pendle Hill NSW 2145
Sun, 12 November 2017	ATCC Trade Show & Tamil Business Awards Night	Trade Show 2-6pm Awards Night 6-10pm The Grand Royale, Granville

## ATCC New Committee

**President** – Samuel Thevasaeyan

**Executive Vice President** – Thiru Arumugam

**Vice President Finance** – Vindran Vengadasalam

**Vice President Internal Affairs** – Anita John

**Vice President Community Relations** – Lawrence Paulraj

**Committee Members** – Mahesh Ganesan, Jega Nadarajah, Chitta Mylvaganam, Ravichandran Mathanagopalan, Rham Kumar, Gokul Chandrasekhar

## Congratulation ATCC – recipient of 2017 Stockland Community Grant



**Stockland** aims to create sustainable and vibrant communities that thrive now and into the future. **The Stockland Community Grants program** provides an opportunity for local community groups to apply for grant funding to support local community infrastructure, programs and opportunities.

Multiple grants of up to \$1,000 are available to support local health, leisure and recreation clubs or programs, local employment, education and skills development initiatives and social engagement clubs and programs from participating **Stockland** retail centres, residential communities and retirement living villages.

## Benefits..... ATCC Membership

ATCC members can take advantage of our Member Discount that offers exclusive discounts in retail, restaurant and professional services.

Promote and Advertise at ATCC events and place an insert in the bi-monthly newsletter.

Need additional business contacts? ATCC holds monthly Networking Events for members to meet and exchange ideas, develop business relationship and increase business and professional network.

Assistance in a wide range of areas including, financial consultancy, legal advice, migration visas and other business areas.

Promoting trade among members, local and overseas community.

Invitation to ATCC's Events, Trade Show and Tamil Business Awards Night.

Access to ATCC business directory to provide you the tools designed to help your business succeed.

Involvement Opportunities with ATCC to have a direct impact on the future of your community while promoting your business.

Access to the ATCC business directory and various sources of information.

## LOCAL TAMIL BUSINESSES

### Pyramid World Travel –

airline ticketing agent, travel insurance and Visa

Pyramid World Travel is a licensed travel agency located in Wentworthville, NSW. We offer a variety of travel packages for companies, individuals, and groups, including Travel Insurance and Visa assistance.



**Pyramid World Travel**  
Travel the world for less

- ✓ Worldwide Air Ticketing
- ✓ Travel Insurance
- ✓ Visa Assistance

இலங்கை, இந்தியா உள்ள சில உலக நாடுகளுக்கும் விமானச் சீட்டுக்கள், பயணக்காப்பறுதிகள், விசா அனுசரணைகள் பெற்றுக்கொள்ளலாம்.

E: [info@pyramidworldtravel.com.au](mailto:info@pyramidworldtravel.com.au)  
W: [www.pyramidworldtravel.com.au](http://www.pyramidworldtravel.com.au)

27 Station St. Wentworthville NSW 2145  
Ph: 02 8872 1071 Mob: 0416 417 892



**CashPlus**  
Money Transfer & Exchange

Worldwide Competitive Rates Quick and Easy

Special Rates for Sri Lanka & India

MoneyGram International Money Transfer

- Instant Money Transfers
- Bank Account Transfers - Any bank account in the world
- Same day cash pick up & bank deposit facility in most countries
- Receive Money
- Flat low fees
- Foreign Currency Exchange (no fee, no commission)

27, Station Street | Wentworthville | NSW 2145  
Ph: 02 8677 3985 Mob: 0426 230 231

Our agents have been recognized as among the most talented in the travel industry, and excel in creating one-of-a-kind vacations and destination events that offer truly breathtaking experiences at an affordable cost. **Thank you for the opportunity to help you make your trip a success!**

Please contact us by email us - [info@pyramidworldtravel.com.au](mailto:info@pyramidworldtravel.com.au) or visit our website – [www.pyramidworldtravel.com.au](http://www.pyramidworldtravel.com.au) or visit us at 27 Station St, Wentworthville, NSW 2145 or contact us at or 8872 1071 or 0416417 892.

### Streetsmarts Travel – Out and Inbound Tour Package Operator

The purpose of this travel business is to create a value-based, authentic travel experience for a small group (3 to 6) of people and design it with a personal touch. **OUR UNIQUE SELLING POINT - "AUTHENTIC EXPERIENCE" and "FREEDOM TO CUSTOMIZE YOUR ITINERARY"**

#### OUR SERVICES

**Inclusive Tours:** Packages that combine local transport, with accommodation, admission to attractions. Usually, some meals are also included. As the name suggests, these tours involve travel as a group. They have set departures dates & fixed itineraries, and the passengers are accompanied by a travel guide.

**Independent Travel Packages:** Customers can decide when they depart and how long they stay, and generally tailor the package to their own specifications, while still enjoying convenience and savings. Contact Us for further information – 0420 483 044 or [goku@streetsmarttravel.com](mailto:goku@streetsmarttravel.com) and visit our website – [www.streetsmartstavel.com.au](http://www.streetsmartstavel.com.au)



**STREETSMARTS TRAVEL**  
TRUST | CONNECT | EXPLORE

Tour Packages Designed For India & Australia

[www.streetsmartstravel.com.au](http://www.streetsmartstravel.com.au)  
[goku@streetsmartstravel.com](mailto:goku@streetsmartstravel.com) | 0420 483 044



Cultural  
Exploration



Authentic  
Experiences



Purposeful  
Travel

## Training SEA - Mobile Applications

**TRAINING SEA** offers intensive corporate training in software applications to facilitate learners to achieve at an international level. Our training sessions on Android, the largest market share mobile apps by Google, and iOS, by Apple Inc., provide technical knowledge to the passionate learners. The training is adjudged for perpetual success in the industrial sectors. Each certification course has multiple-choice questions from a bank of more than 440 questions. **Our organization focuses on value, endless quality and continuous software development.**



Our highly qualified, well-experienced and globally certified teams provide training in specific areas, focusing on current trends in the industries and ensuring complete satisfaction. We are an established company in Australia and are in the process of expanding globally to India and other locations to meet challenges in the industry. Upon completion of the course our trainees will be well equipped with diversified skills to meet the current demand of the relevant industries.

Our curriculum is accredited with remarkable standards by the relevant approved bodies in Australia. We provide training in PRINCE2 Foundation and Practitioner level and will be expanding training to include the ISTQB Foundation and AGILE PM Foundation and Practitioner course. We will be providing online training to help people study anywhere and anytime.

Please contact **Suresh Kannan, Accredited Leader Trainer** – 0426 239 628 or email – [admin@trainingsea.com](mailto:admin@trainingsea.com) or visit our website – [www.trainingsea.com](http://www.trainingsea.com)

## BAVE (Boost Audio Visual Entertainment)



BAVE (Boost Audio Visual Entertainment) are specialists in Sound and Lighting services that cater to all types of events. From family birthday celebrations to corporate conferences, we supply, install and operate a professional range of sound and lighting equipment at affordable prices.

**Our uniqueness in market is defined by catering our services to suit your event, your venue and your budget.** We do not have fixed packages, but rather believe in developing a personal relationship with our clients to deliver according to their needs. We pride ourselves on our comprehensive experience, including not for profit fundraisers, stage shows, conferences, birthdays, baby showers and weddings.

We offer various additional services such as photography, videography, decorations and event planning/management, which add to our wide scope of services. Here at BAVE we work with you. Our level of dedication and individual service ensures we deliver our clients an expert experience with care.

**Boost Audio Visual Entertainment** - Suthagar Karunanithi - 0406 704 808,  
e-mail: [suthagar@bave.com.au](mailto:suthagar@bave.com.au), [www.bave.com.au](http://www.bave.com.au)

## TAX GURU - Accountants

Tax Guru Accountants is a dedicated accounting, taxation, SMSF and finance planning service company committed in providing specialised services tailored to the needs of the client.

**Our focus is to build relationships with our clients by being open and honest in our communications with them by not asking our clients to do anything we would not be prepared to do ourselves.**

We provide a range of services designed to add value to your business and personal financial affairs. Our services include - Business and Personal Tax Returns, Financial Reporting, BAS lodgement, Book-keeping, Cloud Accounting, Tax Planning & Business Structure, SMSF Annual Accounts and Auditing and Corporate secretarial tasks – Company, Trust, SMSF and business name set-up

Contact **Shan Shankar**, 1 Clifton Place, Cherrybrook, NSW 2126 for a free appointment with one of our professionals today by calling us on 0402 107 514.

## AR Property Consulting - Accountant & Registered Tax Agent, Licenced Real Estate Agent/Auctioneer/Strata Manager

AR Property Consulting is a boutique accounting firm which specialise in the creation of wealth through real estate investment.

**We value of clients no matter how big or small.** Circumstances change when clients purchase property, we can support them through the changes and help bring clarity in what often seems a daunting and confusing world of business and finance.

We provide and prepare all types of tax returns, help with Business Start-up, Buyer's Agency Services, Preparation Financial Statements, Small Business Consulting and Positive Cashflow Property Structure.

For further information, please contact **M.Ravichandran** DipFP(SMSF), FIPA, FFA at 0401 688 492 or 02 9649 7221 or visit our website – [www.arpro.com.au](http://www.arpro.com.au).

### AR Property Consulting



Tax agent  
25538749



IPA INSTITUTE OF PUBLIC ACCOUNTANTS

ifa Institute of Financial Accountants  
Member of the IPA Group



**ATCC June 2017  
Networking – Legal  
Aspects of Home  
Based and Small  
Business**



## Small business tax cuts on the way

In a bid to aid business growth and innovation as well as create more jobs for Australians, the Government plans to reduce the corporate tax rate for small business over the next decade.

The good news for small to mid-sized Australian businesses is that an increasing number of them will become eligible for more tax cuts over the next decade than under the current legislation. Here's our timeline summarising when the proposed tax cuts will be introduced.

**For the 2015/2016 financial year** - Under pre-existing legislation, the corporate tax rate for SBEs was reduced from 30% to 28.5%. This applied to companies carrying on a business for all or part of an income year with a current or prior year's aggregated turnover of less than \$2 million.

**For the 2016/2017 financial year** - New legislation will be passed to increase the aggregated turnover threshold of SBEs to, in most cases, less than \$10 million (in the current or prior year). The corporate tax rate will also be reduced further to 27.5% for these companies. In addition, the legislation will make various tax concessions, such as SBE depreciation, available to a wider range of companies. It is important to note the Small Business CGT Concessions and Small Business Income Tax offset will remain unchanged from their current eligibility requirements.

**From the 2017/2018 financial year** - The reduced corporate tax rate of 27.5% will extend to other companies that are 'Base Rate Entities' (BREs). A Base Rate Entity is one that carries on a business and meets the aggregated turnover threshold for the specific year. For the 2017/2018 financial year, this threshold is less than \$25 million. From the 2018/2019 financial year, this threshold will increase to less than \$50 million.

**2025 and 2027** - The corporate tax rate for Base Rate Entities will decrease further from 27.5% to 25%. For all other companies above these thresholds and non-business company structures (such as an investment company or bucket company), the corporate tax rate will remain at 30%.

### Franking credits

For the 2015/2016 financial year, the franking credits attached to frankable distributions remained at 30%. However, from 1 July 2016, the legislation will align the maximum franking credit that can be allocated to a frankable distribution to the tax rate applicable to the company paying the distribution. These changes have not yet received royal assent, however there are unlikely to be any issues.

### Changes to the corporate tax rate for SBEs and BREs

Income Year	Aggregated Turnover	Company Tax Rate
2016	< \$2 million	28.5%
2017	< \$10 million	27.5%
2018	< \$25 million	
2019	< \$50 million	
2020		
2021		
2022		
2023	< \$50 million	27%
2024		26%
2025		25%
2026		
2027 and later		

## 2017 State Budgets

### NSW Budgets

#### **Duties**

##### First Home Buyers Assistance

From **1 July 2017**, the First Home New Home scheme will be replaced by the First Home Buyers Assistance scheme.

First homebuyers will not have to pay duty for both new and existing homes for properties up to \$650,000. The duty will be reduced for amounts between \$650,000 and \$800,000. There is no change to the cap for vacant land.

##### Shared Equity Scheme

From **1 July 2017**, the shared equity scheme applies where a homebuyer purchases a property with an approved equity partner, being NSW Land and Housing Corporation, a registered community-housing provider or approved persons. This scheme helps people who may not otherwise be able to afford their home on their own to become a home owner by purchasing with an equity partner.

The shared equity scheme is a scheme where:

- The home buyer must acquire not less than a 20 per cent share in the ownership of the property
- The equity partner has the right to a share in any capital gains on sale or refinancing but has no right of occupation
- The homebuyer can purchase more equity in the property from the equity partner at a price determined under the arrangement between the homebuyer and the equity partner.

Any subsequent transfers of equity from the equity partner to the homebuyer will be exempt from further duty. If the dutiable value of the property meets the requirements of the First Home Buyers Assistance, the homebuyer will be entitled to the exemption or concession. A homeowner may be entitled to the first homeowner grant if the total purchase price falls under the cap and all other conditions of the scheme are met.

##### New Home Grant Scheme

The New Home Grant scheme, providing a \$5,000 New Home Grant will close on **30 June 2017**.

##### First Home Owner Grant (New Homes)

From 1 July 2017, first homeowners can access a \$10,000 grant for:

- Building a new home under a home building contract where the contract price, when added with the land value, does not exceed \$750,000
- A new home being built by an owner builder where the value of the land and building does not exceed \$750,000 or
- Purchasing a new home worth up to \$600,000.

##### Purchases 'off the plan' by investors

From **1 July 2017**, all residential purchases by investors will be excluded from the 12-month off the plan transfer duty liability deferral.

Purchasers who wish to obtain the deferral will need to declare an intention to occupy the property as their principal place of residence (PPR).

If a purchaser claims an entitlement to the deferral, but the land is not occupied as the purchaser's PPR for a continuous period of 6 months, commencing no later than 12 months after completion of the sale or transfer, interest and penalty tax may apply from the liability date.

#### **Land Tax**

##### Principal Place of Residence

The principal place of residence exemption will be extended to land used and occupied by an owner under a shared equity scheme as defined above. The exemption will apply from the 2018 tax year.

#### **Surcharge purchaser duty**

##### Rate of Duty

From **1 July 2017**, the surcharge purchaser duty (payable by foreign persons) rate will increase from 4 per cent to 8 per cent.

##### Permanent residents (including New Zealand citizens)

From **20 June 2017**, permanent residents, including New Zealand citizens holding a Special Category visa (subclass 444), will be exempt from surcharge purchaser duty on their principal place of residence, if they occupy the home for a continuous period of 200 days within 12 months of purchase. The exemption will be granted if the person declares that they will complete the 200-day residence requirement.



### Australian-based Developers

An Australian-based developer that is a foreign person may be entitled to a refund of surcharge purchaser duty based on dwellings sold (other than to an associated person) if they are an Australian corporation. This applies to an eligible developer who acquired land on or after 21 June 2016. The corporation or a related body corporate of the corporation must have constructed a new home on the residential land to which the residential-related property relates after completion of the transfer of the property to the corporation.

A refund will be payable in respect of the sale of a new home. A dwelling that has been rented or occupied at any time while owned by the developer is not eligible for a refund.

### Commercial Residential Property

Commercial residential property will be exempt from surcharge purchaser duty. The Chief Commissioner will make a determination identifying classes of commercial residential property.

### **Surcharge Land Tax**

#### Rate of Tax

From the 2018 tax year, the surcharge land tax rate (payable by foreign persons) will increase from 0.75 per cent to 2 per cent.

### Permanent Residents (including New Zealand Citizens)

From the 2018 tax year, permanent residents, including New Zealand citizens holding a Special Category visa (subclass 444), will be exempt from surcharge land tax on their principal place of residence, if they occupy the home for a continuous period of 200 days in the land tax year.

The exemption will be granted if the person declares that they will complete the 200-day residency requirement.

### Australian-based Developer

An Australian-based developer that is a foreign person may be entitled to a refund of surcharge land tax if they are an Australian corporation. The corporation or a related body corporate of the corporation must have constructed a new home on the residential land and after the taxing date, the corporation must have sold the new home to a person other than an associated person of the corporation.

The proportion of surcharge land tax refunded will be based on the proportion of dwellings sold (other than to an associated person) within 5 years of the completion of the purchase of the land by the developer. Where separate dwellings are sold progressively over the 5-year period, a developer may be granted partial refunds.

The exemption is retrospective to an eligible company.

- In cases where the land was acquired before 21 June 2016, the 5 years commences **from 21 June 2016**

- If land was acquired **after 21 June 2016**, the 5 years commences from the time the land was acquired

A refund will be payable in respect of the sale of a new home. A dwelling that has been rented or occupied at any time while owned by the developer is not eligible for a refund.

### Commercial Residential Property

From 2018, tax year, commercial residential property will be exempt from surcharge land tax. The Chief Commissioner will make a determination identifying classes of commercial residential property.

### **Insurance duty**

#### Lenders Mortgage Insurance (LMI)

From **1 July 2017**, an LMI policy will be exempt insurance in NSW meaning an insurer who issues a LMI policy will no longer need to pay duty on this premium where the policy is over property in NSW. LMI means insurance taken out by lenders to cover loss arising from default by the mortgagor.

#### Crop and Livestock Insurance

From **1 January 2018** crop and livestock insurance will not be liable to duty.

#### Small Business Exemption

From **1 January 2018** small businesses are not liable to duty on certain types of insurance including commercial vehicle insurance, occupational indemnity insurance and product and public liability insurance. At present, you are a small business entity if you are an individual, partnership, and company or trust that:

- Is carrying on a business
- Has aggregated turnover of less than \$2 million

### **VIC Budgets**

#### **Duties**

#### Land Transfer Duty

Land transfer duty (commonly known as stamp duty) to be abolished for first-home buyers purchasing a property up to \$600,000, and a duty concession for first-home purchases valued from \$600,001 to \$750,000.

Property transfers between spouses and de facto partners involving commercial and/or investment properties to no longer be exempt from land transfer duty. Exemption for the principal place of residence and for transfers following a relationship breakdown will remain

remain in place. These changes apply to contracts entered into from 1 July 2017.

#### Motor Vehicle Duty

From 1 July 2017, new passenger vehicles will be subject to the same motor vehicle duty rates as used passenger vehicles.

#### First Home Owner Grant

\$20,000 First Home Owner Grant to be available for homes built in regional Victoria up to \$750,000. Applies to contracts entered into from 1 July 2017 to 30 June 2020.

#### 'Off the Plan' Duty

Concessions for off the plan purchases will apply only to buyers eligible for the principal place of residence or first homebuyer duty exemption/concession. This means that the concession is no longer available for OTP purchases of holiday homes, and investment or commercial properties. This applies to contracts entered into from 1 July 2017.

#### Property Valuations

From 1 January 2019, property valuations will occur annually, rather than every two years.

#### **Insurance Duty**

##### Crop and Livestock Insurance

From 1 July 2017, an exemption from insurance duty will apply to crops, livestock and agricultural machinery.

#### **Vacant Residential Land Tax**

##### Vacant Land

From 1 January 2018, a tax will be applied on residential properties in the inner and middle suburbs of Melbourne, which are unoccupied for more than six months a year. It will be based on use and occupation in the preceding year.

#### **Payroll Tax**

##### Thresholds

Payroll tax threshold changes will be brought forward by one year to reach \$625,000 for 2017-18, and increase to \$650,000 in 2018-19.

##### Rate of Tax

Payroll tax rate paid by regional Victorian businesses to be reduced by 25 per cent, down to 3.65 per cent, where at least 85 per cent of their payroll goes to regional employees. This applies from 1 July 2017.

#### **QLD Budgets**

##### **Duties**

##### First Home Owner Grant

The First Home Owners' Grant temporary increase, from \$15,000 to \$20,000 for contracts on newly constructed homes, will be extended to eligible transactions entered into between 1 July 2017 and 31 December 2017.

##### **Land Tax**

##### Land Tax Surcharge

A 1.5% surcharge for absentee payers of land tax (those who do not ordinarily reside in Australia) will be applied to land holdings of \$350,000 or higher, in addition to other land tax payable from 1 July 2017.

##### **Payroll Tax**

##### Payroll Tax Rebate

The payroll tax rebate on the wages of apprentices and trainees will continue at the increased rate of 50% until 30 June 2018. This rebate is in addition to their wages being exempt and will be used as an offset against payroll tax payable on the wages of other employees.

#### **SA Budgets**

##### **Duties**

##### 'Off-the-plan' Stamp Duty

##### Concession

The off-the-plan stamp duty concession on a transfer of a new apartment or substantially refurbished apartment will be extended until 30 June 2018 but will no longer apply to foreign purchasers. This change relates to off-the-plan contracts entered into on or after 22 June 2017.

##### "Off-the-plan" Purchaser Grant

A \$10,000 grant will be provided to eligible off-the-plan apartment purchasers where the contract is entered into between 22 June 2017 and 30 September 2017.

##### Stamp Duty Surcharge

Foreign purchasers that acquire residential property in South Australia will be required to pay a surcharge of 4% of the dutiable value of the property. This surcharge amount is in addition to the duty that is otherwise payable.

##### **Land Tax**

##### Land Tax Exemption

Apartments that are purchased off-the-plan will be exempt from any land tax that may be payable on the apartment for the first five financial years after purchase, where the contract is entered into between 22 June 2017 and 30 June 2018. The exemption will no longer apply if the apartment is sold before the end of the five year exemption period.

##### **Payroll Tax**

##### Rate of Tax

The payroll tax rate for businesses with Australian taxable payrolls between \$600,000 and \$1 million will be lowered from the current rate of 4.95% to 2.50%. The payroll tax rate will then phase up to the rate of 4.95% for businesses with payrolls above \$1.5 million.

**TAS Budget**

**Duties**

First Home Owner Grant

The First Home Owners' Grant of \$20,000 has been extended for one year, from 1 July 2017 to 30 June 2018.

Duty on House and Land Packages

Consideration for a dutiable transfer of land will no longer be taken to include improvements agreed to be made to the land that are performed after the land transfer. Further, for standard single-dwelling house and land packages, the consideration for the land transfer will also exclude improvements that are performed on the property after the agreement is entered into, but before the transfer of land occurs. This is effective 1 July 2017.

**Payroll Tax**

Payroll Tax Rebate

Effective from 1 July 2017, there will be a rebate for employers that pay payroll tax and employ eligible apprentices, trainees and youth employees between 1 July 2017 and 30 June 2019. The maximum rebate payable.

**Community Section**

**சி.நி. தமிழ் மன்றம்**  
பெருமையுடன் வழங்கும்





**தில்லானா 7**  
*Thillana 7*

**Smile Settai**  
at Sydney

கதை சிறப்பிக்கும் நகைச்சுவை நிகழ்ச்சி  
மற்றும்  
உள்ளூர் கலைஞர்களின் ஆடல், பாடல், நகைச்சுவை மற்றும் பல பொழுதுபோக்கு அம்சங்கள் நிறைந்த பல்சுவை நிகழ்ச்சி

DATE: SATURDAY, 05 AUGUST 2017  
TIME: 5.00 PM - 10.00 PM  
VENUE: DURGA TEMPLE AUDITORIUM  
21-23 ROSE CRECENT, REGENTS PARK, NSW 2143

**TICKETS: General : \$15**  
(Children Under 10 Free)  
**VIP : \$50**

FOR TICKETS:  
Gokul.....0420 483 044  
Dinesh.....0469 440 780  
Yoga.....0481 131 115  
Rajesh.....0403 509 455

FOR FURTHER INFO:  
Indu.....0448 697 948  
Ponraj.....0413 735 355  
John.....0406 477 483

TO SECURE ONLINE TICKETS, VISIT:  
<http://sydneytamilmanram.eventbrite.com.au>

facebook.com/sydneytamilmanram  
Web: www.sydneytamilmanram.org

EVENT SPONSOR 	PLATINUM SPONSOR 	RAFFLE SPONSORS 	COMMUNITY PARTNERS 	BUSINESS SPONSORS 
SILVER SPONSOR 				

**தமிழ்க் கலை மற்றும் பண்பாட்டுக் கழகம்**  
ருடத்தும்

**இனிய இலக்கிய சந்திப்பு**

ஆஸ்திரேலியாவில் முதல்முறையாக சி.நி.யில்  
"திருமுருக கிருபானந்தவாரியார் சுவாமிகளின் மாணவி"

"கலைமாமணி"  
**திருமதி தேச. மங்கையர்க்கரசி**  
அவர்கள்

வழங்கும்  
**'இலக்கிய இன்பம்'**

எனும் பொருளில் **தமிழுரை**

உள்ளூர் கலைஞர்கள் பங்குகொள்ளும்  
கலை நிகழ்வுகளுடன்...

வழங்கும் \$10  
அல்லது \$50 (VIP Seating)

**Saturday, 19 August 2017 - 5:30 pm**

**VENUE :**  
Redgum Function Centre, 2 Lane St. Wentworthville

**For Tickets & Information:**  
Anagan Babu - 0402 229 517  
Kamran G Bharathy - 0423 607 440  
Narayanan - 0412 242 752

[www.facebook.com/taca\\_sydney](http://www.facebook.com/taca_sydney)  
[www.tacasydney.org](http://www.tacasydney.org)  
secretary.taca\_sydney@gmail.com

Since 1994 ABN 56436329807

**UJA Executive Committee & General Council**  
Cordially Invite your family and Friends to our

**INDIA AUSTRALIA**  
**FRIENDSHIP FAIR 2017**

**FREE EVENT**

**ALL DAY FUN for whole Family !**

- Cultural Performances (Dance & Music)
- Kids Rides
- Pani Puri & Indian Delicacies Foods
- Stalls
- Health check
- Sports
- and many more....

**Date: Sunday, 20<sup>th</sup> of August 2017**  
**Time: 10.30 am to 7.30pm**  
**Venue: Blacktown Showground**  
Richmond Road, Blacktown

**FAIR DIRECTOR**  
John Kennedy  
0406 477 483  
president@uia.org.au

**OUR PROUD SPONSORS:**

**STALL BOOKING Contact**  
Dave Passi  
0413 760 300  
jt\_secretary@uia.org.au

<b>Sreeni Pillamarri</b> Secretary 0462 025 686 secretary@uia.org.au	<b>Jaydatt Nayak</b> Treasurer 0433 195 430 treasurer@uia.org.au	<b>Nagamma Prakash</b> Vice President 0414 644 187 vicepresident@uia.org.au	<b>Nikhila Kiran</b> Cultural Director 0433 125 317 kiran_nicky@bispand.com	<b>Mallikarjun</b> Cultural Co-ordinator 0425 366 236 publlofficer@uia.org.au
---	---	--	--	--

**All are Welcome**



## Legal Risk Management for Home Based and Small Business

### *Arul Niles (Principal Solicitor)*

#### When purchasing a business

- Obtain financial advice relating to the commercial viability of the business having regard to the tax returns, BAS & other financial documents.
- Observe the business for a period of 4 weeks.
- Structure your business to manage risk in view of Corporations Act; Consumer Act; Superannuation Guarantee Act and Income Tax Assessment Act.
- Avoid Personal Guarantees.
- The most flexible structure is to have a family trust established and for the trustee of that family trust to be the legal owner of the shares in the company that conducts the business.
- **Self Managed Super Fund** to hold your investment assets.

#### Family Trust

- The implications of a Trust are numerous and if your Trust guarantees any loans, agreements or borrows monies then the Trust is subsequently liable for same;
- A Trust is a legal entity that is normally designed to protect the interest of persons referred to as Beneficiaries.
  - If any of the Beneficiaries are involved in any litigation on a personal basis, it should not affect the Trust.
  - Trustee - The main obligation of the Trustee is to ensure that the interests of the Beneficiaries are addressed;
  - Appointor - Obligations, rights and powers of the Appointor.
  - There is the issue of capital gains. If individuals purchase real estate as an investment they obtain a 50% discount on capital gains. This is not available to real estate purchases through Trusts.
  - If a Trust purchases real estate there is no threshold as to land tax
  - A Trust should have a corporate trustee.

Another flow on is the issue of a Power of Attorney. If you become mentally incapacitated and you do not have a proper Power of Attorney in the case of mental incapacity the Guardianship Board then stands in your place and controls your assets. To overcome this, you would need to instruct us to prepare an enduring Power of Attorney for you and obviously you would need to trust the person you appoint implicitly;

## Importance of Brand Protection to Small Business

### *Anita John (Solicitor)*

A Brand also known as a Trade Mark (TM) is your business identity and a form of IP right. It can be your most valuable tool to establish your presence in a market. The more successful your business, the more valuable your TM becomes. A TM creates intangible business assets (no physical assets) and builds significant value to the business. For e.g. Coca Cola Co and Sony became successful through their brand recognition

A registered TM can be bought, sold, licensed and used as security interest to secure a loan for your business.

#### Types of Trade Mark

- Word
- Picture, logo
- Sound (jingles)
- Colour
- Smell (perfume, scent)
- 3D Products & Container Shapes
- Signature
- Letter, slogans, numeral or any combination

#### Choosing a New Trade Mark

- Search the Trade Mark Register (ATMOSS) to make sure you are not copying another person's TM
- Keyword search on the Web
- Search on the Registers of Business and Companies
- Domain Names

#### IP Australia

- A TM must be registered separately with IP Australia a government agency that administers IP rights
- A TM is not the same thing as a business name, company name or domain name
- Business and Company Names are issued by ASIC
- Domain Names are issued by private internet companies and registered by the .au Domain Administration Ltd

#### Registration Criteria

- must be invented
- not already registered by another company
- not being used in another state
- sufficiently unique or distinctive
- does not describe the character or quality of the products

### **Duration, Use and Effect of Registration**

- Initially 10 years
- Renewable every 10 years
- Exclusive right to use the TM in relation to certain products or services
- Creating a popular TM that you fail to protect could cause significant loss of value to business
- Unauthorized use of a TM could force a business to change its name or expose to lawsuit if the products or services are identical or closely similar
- If a registered TM is not used for more than 3 years it can be removed from the register for non-use.
- If someone else has registered the same trade mark as yours, they can take legal action against you if you infringe their IP rights

## **Experiencing business seasonality**

### **Seasonality affects most business's supply chain, whether it is revenue, staffing, customer demand, advertising expenses or inventory. How can you break the cycle?**

Some industries feel the heat more than others in Australia given many people take longer breaks over our summer holiday period. However, businesses that experience seasonality typically fall into two categories: those that need to find alternative ways to manage cash flow in the non-peak season, and those that can easily be shut down in the off-season. If you fall into either category, take a look at these tips on managing seasonal demand and turning your business into a year-round success.

#### **Understand your business cycles**

It takes time to understand your business cycles, but this is the first step towards managing your cash flow and business volatility. The most effective way to do this is through analysing financial trends and data such as sales, inventory, COS, overheads, cash and profit. It is ideal to analyse at least three to four years' of historical data, however if you are a new business, seek information from peers and industry sources.

#### **Plan and budget for the 12 months ahead**

Once you understand the fluctuations of your business's performance, you can create a business plan. Using the results of your trend analysis, you can forecast cash flow levels based on the timing of anticipated sales in order to manage recurrent and known expenditure for 12 months of the year.

#### **Create alternative revenue streams**

Research other products or activities that could generate revenue streams during your off season. Other revenue sources can result in the retention of staff, heightened customer awareness, and an increase in market share whilst maintaining a strong cash flow position. The key to introducing alternative sources of revenue is not to divert too much focus away from the primary business activity so it is at risk of being jeopardised or neglected.

#### **Keep busy in the off season**

If you forecast and budget for expenditure in the slower times of the year, the off season is a great time to complete required maintenance and repairs, as well as undertake staff training and marketing for the busy period ahead. It also allows you to take the time to show some love to your best customers and also put some effort into finding new ones.

#### **Manage the impact on staff**

When planning for periods of recruitment, allow for training to commence prior to the peak season. This will ensure that optimal productivity, efficiency and skill can be achieved in the busy season, with staff feeling confident and motivated to achieve KPI's and targets.

#### **Review inventory levels**

Make sure you are aware of supplier lead times during your peak season through regular discussions with suppliers. It's a good idea to review your safety stock levels with historic seasonal data to ensure you are holding enough stock, without over allocating resources to a point where your profit margin may be damaged or too much cash is tied up in stock.

#### **Strengthen relationships with partners**

Frequent communication with both upstream and downstream partners is important. This can mean better delivery times and pricing, and may lead to mutual benefits in the future.

Times can be tough in a cyclical business, however with the right management and approach, you can create a successful business model.

## Tax Tips for 2017

Do you know the tax deductions and offsets for which you might be eligible?

The following tips may help you to legitimately reduce your tax liability in your 2016-17 return.

### Claim work-related deductions

Claiming all work-related deduction entitlements may save considerable tax. Typical work-related expenses include employment-related telephone, mobile phone, internet usage, computer repairs, union fees and professional subscriptions.

Note that the Australian Taxation Office (ATO) will again check claims made in real time. Claim only what you are legally entitled to and be sure to have all necessary receipts or credit card statements to support them.

### Claim home office expenses

When part of your home has been set aside primarily or exclusively for the purpose of work, a home office deduction may be allowable. Typical home office costs include heating, cooling, lighting and even office equipment depreciation.

To claim the deduction, you must have kept a diary of the hours you worked at home for at least four weeks.

### Claim depreciation

Immediate deductions can be claimed for assets that cost under \$300 to the extent the asset is used to generate income. Such assets may include tools for tradespeople, calculators, briefcases, computer equipment and technical books purchased by an employee, or minor items of plant purchased by a landlord.

Assets costing \$300 or more that are used for an income producing purpose can be written off over a period of time as a tax deduction. The amount of the deduction is generally determined by the asset's value, its effective life and the extent to which you use it for income-producing purposes.

### Maximise motor vehicle deductions

If you use your motor vehicle for work-related travel, there are only two choices for how you can claim.

If the annual travel claim does not exceed 5000 kilometres, you can claim a deduction for your vehicle expenses on the cents-per-kilometre basis. The allowable rate for such claims changes annually, so it is important to obtain this year's rate from the [ATO](#) or Australia-registered tax agent. Such claims must be based on reasonable estimates.

If your business travel exceeds 5000 kilometres, however, the log book method is required to claim a deduction for total car-running expenses.

### Rental property deductions

Owners of rental properties that are rented or are ready and available for rent can claim immediate deductions for a range of expenses, such as:

- interest on investment loans
- land tax
- council and water rates
- body corporate charges
- insurance
- repairs and maintenance
- agents' commission
- gardening
- pest control
- leases (preparation, registration and stamp duty)
- advertising for tenants
- reasonable travel to inspect properties.
- 

Landlords may also be entitled to annual deductions for the declining value of depreciable assets (such as stoves, carpets and hot water systems), and capital works deductions spread over a number of years for structural improvements like remodeling a bathroom.

It's worth noting that the government has proposed that it will change the law to no longer allow travel deductions relating to inspecting, maintaining, or collecting rent for a rental property from 1 July 2017.

This is an integrity measure to address concerns that such deductions are being abused.

Further, the government announced that from 1 July 2017 plant and equipment depreciation deductions will be limited to outlays actually incurred by investors in residential real estate properties.

Plant and equipment forming part of residential investment properties as of 9 May 2017 will continue to give rise to deductions for depreciation until either the investor no longer owns the asset, or the asset reaches the end of its effective life.

### Residential property and non-residents

The government announced that from 9 May 2017, Australia's foreign resident capital gains tax regime will be extended to deny foreign and temporary tax residents access to the main residence exemption. Properties held prior to this date will be grandfathered until 30 June 2019.

### **Maximise tax offsets**

Tax offsets directly reduce tax payable and can add up to a sizeable amount. Eligibility generally depends on your income, family circumstances and conditions for particular offsets.

Taxpayers should check whether they qualify for tax offsets which, among others, include the low-income tax offset, senior Australians and pensioners offset and the offset for superannuation contributions on behalf of a low-income spouse.

### **Bring forward deductions and delay income for higher income earners**

The effective highest marginal tax rate will decrease from 49 per cent in the 2016-17 year to 47 per cent in 2017-18, given the removal of the two per cent temporary budget repair levy, which applies to individuals deriving taxable income over \$180,000.

Individual taxpayers in the highest tax bracket may wish to consider delaying income into the 2017-18 year, as it would be taxed at a lower rate. Conversely, such taxpayers may consider bringing deductions forward into 2016-17, as such amounts will be deducted at the higher effective tax rate of 49 per cent.

Care should be taken to ensure any action does not breach general anti-avoidance provisions or any specific provisions that could curtail activities such as the prepayment rules.

### **Superannuation**

The changes to superannuation in the last 12 months are significant and require extra care. You may wish to consider making the maximum allowed concessional contribution before the new reduced concessional contribution cap of \$25,000 per annum commences from 1 July 2017.

The concessional contribution cap for the 2016-17 financial year is \$30,000 if you're under 50 and \$35,000 if you're aged 50 or over. Concessional contributions include any contributions made by your employer, salary sacrificed amounts and personal contributions claimed as a tax deduction by self-employed or substantially self-employed persons.

If you're making extra contributions to your super and breach the concessional cap, the excess contributions over the cap will be taxed at your marginal tax rate, although you can have the excess contribution refunded from your super fund.

Similarly, from 1 July 2017 the annual non-concessional (post-tax) contributions cap will be reduced from \$180,000 per annum to \$100,000 and the three-year bring-forward provision reduced from \$540,000 to \$300,000. There will also be an additional constraint that individuals with a balance of \$1.6 million or more will no longer be eligible to make non-concessional contributions. As such, you may wish to consider making the maximum allowed non-concessional contribution before the caps are reduced and the maximum threshold applied from 1 July 2017.

High-income earners are also reminded that the contributions tax on concessional contributions is effectively doubled from the normal 15 per cent rate to 30 per cent if their combined income plus concessional contributions exceeds \$300,000. The threshold for the higher rate of tax will be reduced to \$250,000 from 1 July 2017.

Importantly, don't leave it until 30 June to make contributions, as your super fund may not receive the contribution in time and it will then count towards next year's contribution caps, which could result in excess contributions and an unexpected tax bill.

### **Self-employed tax-effective superannuation contributions**

A self-employed person will be able to claim contributions to a complying superannuation fund as fully tax deductible up to the age of 75 in the 2016-17 tax year. However, such contributions will only be deductible if less than 10 per cent of the total of a person's assessable income, reportable fringe benefits or reportable employer superannuation contributions is attributable to their status as an employee. Such a deduction cannot increase or create a tax loss to be carried forward. Employers can also claim deductions for superannuation contributions made on behalf of their employees.

### **Consider the superannuation co-contribution**

An individual likely to earn less than \$51,021 in the 2016-17 tax year should consider making after-tax contributions to their superannuation so as to qualify for the superannuation co-contribution, if their circumstances permit. The government will match after-tax contributions 50 cents for each dollar contributed up to a maximum of \$500 for a person earning up to \$36,021. The maximum then gradually reduces for every dollar of total income over \$36,021, and to nil at \$51,021.

### **Consolidate your super**

For most employees, it makes a lot of sense to have your entire super in one place. You'll reduce the amount of fees you're paying, receive one lot of paperwork and only have to keep track of one fund. Consider consolidating the super funds you do have into one fund. Compare your funds to work out which best suits your needs. Important things to look at are fees and charges, available investment options and life insurance cover. In particular, if you have insurance cover in a fund, check you can transfer or replace it in the new fund so you don't end up losing the benefit altogether. You can look at past investment performance as well – but remember, it is no guarantee of how the fund will perform in the future.

Once you have chosen the fund you want to keep, contact the provider, which will help you to transfer money from your other super funds.

If you have moved around or changed jobs occasionally, your old super fund may have lost track of you and there is a risk you may miss out on some super when you need it. To find lost superannuation create a myGov account and link it to the ATO.

### **Review your superannuation income stream**

From 1 July 2017, a \$1.6 million transfer balance cap will be introduced on the total amount that can be transferred into the tax-free retirement pension phase from accumulation. Superannuation balances in excess of the transfer balance cap can remain in the accumulation phase.

If you are in excess of the transfer balance cap before 1 July 2017, you will need to transfer the excess back to your accumulation fund or remove it from your superannuation before 1 July.

Equally, if you have a self-managed superannuation fund (SMSF) where at least one member is exceeding their transfer balance cap, the fund will no longer be able to segregate its assets for tax purposes to calculate exempt current pension income, and the proportioning method will have to be applied instead. Capital gains tax relief is available for SMSFs that reduce the amounts supporting superannuation income streams as a result, but it is only available until 1 July 2017.

If you are likely to be in excess of the transfer balance cap, seek independent advice from a licensed financial adviser or a registered tax agent before 1 July 2017.

Also from 1 July 2017, the tax-exempt status of earnings from assets supporting transition to retirement income streams (TRIS) will be removed. Earnings from assets supporting a TRIS will be taxed at a maximum 15 per cent, regardless of when it commenced. You may want to seek independent advice regarding continuing with TRIS.

Seek independent advice on end of year tax-effective investment products

The end of the financial year often sees the emergence of what claim to be tax-effective investment products.

### **Review salary sacrifice arrangements**

Employees can consider salary sacrifice arrangements, under which their gross salary may be foregone to obtain either a packaged car for fringe benefits tax (FBT) purposes, or they can make additional superannuation contributions.

A 20 per cent flat rate applies when calculating a motor vehicle fringe benefit under the statutory formula method, regardless of how many kilometres it annually travels. However, there may still be some tax savings in packaging a car under these rules compared to the cost of funding all operating expenses from your net salary.

In addition, under these rules employees who predominantly use a car for work-related travel may be able to obtain tax savings by calculating the FBT paid on the car under the operating cost method, rather than funding their car expenses from after-tax salary.

Reference material – CPA Australia.

---

This newsletter is intended to be read by the ATCC members and Tamil Businesses only. If you are not the intended recipient, any use, distribution, disclosure or copying is strictly prohibited without the authority of ATCC. The content of this newsletter is intended to provide general commentary only and should not be relied upon as legal advice.

---