

## With **June 30<sup>th</sup>** fast approaching here are 4 strategies you may want to consider to **reduce your tax...**

### **1. Bring forward deductible expenses**

Bringing forward expenses that are otherwise deductible in the following financial year by “prepaying interest” on any investment loans, shares or investment properties you have.

### **2. Put more into super now**

Consider investing a portion of your salary, at a better tax rate, into your super fund. Depending on the stage of life you are at, this strategy, called salary sacrificing or making personal deductible super contributions can be a great way to boost your retirement savings. The beauty of this strategy is you pay less tax because your super contributions are taxed at a maximum of 15% compared to your own personal marginal tax rate that can be as high as 46.5%.

### **3. Top up your super with help from the government**

If you earn less than \$61,920 per annum, you could be eligible for a Government co-contribution to your super. To qualify for the full co-contribution of \$1,000 you generally need to make a personal after-tax super contribution of at least \$1,000 and earn \$31,920 per annum or less. Remember it's also a great concept for teenagers to take advantage of as they often have part time jobs and are likely to be eligible for the full \$1,000 co-contribution.

### **4. Manage Capital Gains Tax**

If you make a capital gain on the sale of an asset this financial year, you could consider selling a poorly performing investment before June 30<sup>th</sup> enabling you to offset your capital gain with the capital loss. Alternatively, you could consider delaying the sale of a profitable asset until after June 30<sup>th</sup> in order to defer your capital gain for another 12 months when the tax would then be due.

So remember...

Along with your work related expenses, ensure you ask your accountant about your entitlement for the following tax deductions (if they apply to you):

- Income protection insurance premiums
- Bank fees
- Professional fees (financial planning and accounting fees)
- If you receive Family Tax Benefit Part A, you might be eligible for an education tax offset and can claim 50% of the cost of home computers, internet connections and printers.

Please call our office to discuss any of these points.

General Advice Warning: This advice may not be suitable to you because it contains general advice that has not been tailored to your personal circumstances. Please seek personal financial advice prior to acting on this information.