



-SUPERANNUATION UPDATE-

Quarterly Superannuation Guarantee:

From 1 July 2003 employers will have to pay their employee's superannuation contributions at least every quarter. Failure to comply will incur the Superannuation Guarantee Charge. Employers will also have to report details of these contributions to their employees in writing at least once a quarter.

Maximum Deductible Contribution:

The age-based deduction limits for the year ended 30 June 2003 are as follows:

Age of employee:	Deduction Limit (\$):
Under 35	12,651
35 to 49	35,138
50 and over	87,141

NOTE: The deduction limits are indexed annually to average weekly ordinary times earnings (AWOTE).

Superannuation Guarantee Contribution Percentage:

This will remain at 9% for the financial year commencing 1 July 2003.

Superannuation & Marriage Breakdown:

From 28 December 2002 a superannuation agreement may be made between spouses, or the court may make an order, dividing the superannuation interests of spouses on marriage breakdown under Part VIII C of the Family Law Act 1975. All marriages are affected (not de facto relationships), including those dissolved before that date unless a property settlement has been concluded under a Court approved agreement or order.

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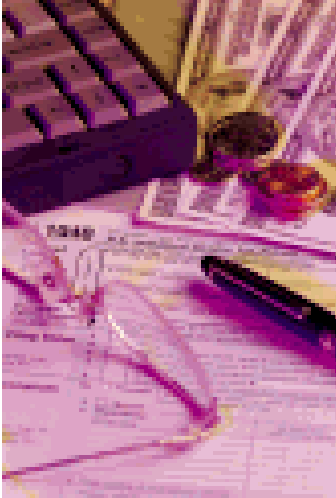
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-YEAR END TAX PLANNING-



With 30 June fast approaching it is a very good time to consider ways of maximising returns by minimising taxation obligations.

The first rules of effective tax planning are timing - consider ways of legitimately deferring the receipt of income and ways of bringing forward deductible expenditure.

Following are some general tips.

Defer income and accelerate deductions:

Consider the benefits of the timing of contracts, or when sales are made. For example, you may choose to defer any capital gains until the new financial year or crystallise some capital losses to offset gains made. Perhaps consider deferring invoicing to 1 July. As for expenses, consider bringing forward expenditure on deductible items that will be incurred in the near future to before 30 June.

Prepayments:

Prepayment rules have been significantly wound back in recent years. If the amount in question is less than \$1,000, then it is deductible in the year it is incurred. Individual non-business taxpayers and businesses that come within the simplified tax system can prepay expenses such as interest, lease payments and subscriptions, up to 12 months in advance.

Bad Debts:

If claiming bad debts, they must be written off before the end of the financial year.

Superannuation Contributions:

Employers must ensure they have made sufficient superannuation contributions (currently 9%) for each of their employees, and those contributions must have been paid by 30 June to be deductible.

Self-employed taxpayers may make deductible contributions on their own behalf. Contributions above the fully deductible amount of \$5,000 are 75% deductible subject to age-based limits.

Contributions can now also be made for low income or non-working spouses. A rebate of 18% is allowed for post-tax superannuation contributions up to \$3,000, providing a maximum rebate of \$540.

Trading Stock:

The law enables a taxpayer to choose between a number of stock valuation methods each year for tax purposes.

Rebates:

Rebates can reduce your tax bill, what you can claim depends on the level of income and family circumstances. Examples include medical expenses rebate, dependant spouse rebate and low-income earner rebate.

Non-commercial Losses:

These rules are designed to restrict the extent to which individuals can offset losses from non-commercial business activities against income from other sources. To qualify businesses must be deemed commercial (i.e. Satisfy at least one of the four tests relating to assessable income, real property, other assets or profits) otherwise losses will be carried forward to be offset against future years profits.

Record Keeping:

Make sure that you keep detailed records for CGT and business/substantiation purposes. The general rule is five years after the event or income year to which the records relate.

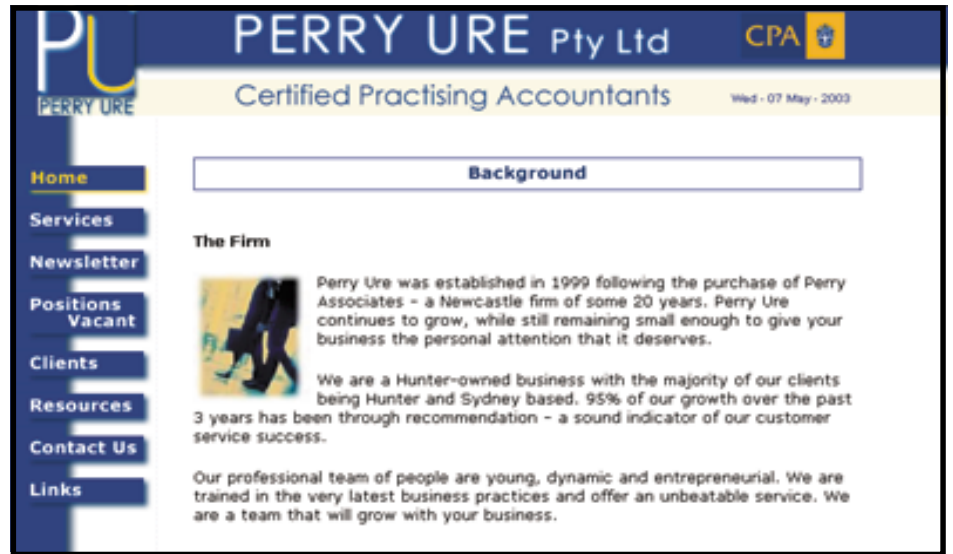
FREE MARKETING OPPORTUNITIES FOR CLIENTS

The Perry Ure website has had almost 50,000 hits since its establishment in October 2002. This is an average of 220 hits per day!

Our client pages alone have had over 1000 unique visitors to their listings on our site.

Have you listed your business yet? If not, send your company name and contact details, together with a brief business summary to Maree Anderson via email to manderson@perryure.com.au or you by post to the Perry Ure office. This is a free service to clients.

Other client services at www.perryure.com.au include a currency converter and the latest industry topical information including:



- Salary Sacrificing
- Finding your Lost Superannuation
- Recent ATO legislation changes
- Debt Recovery
- Tips when Starting a Business
- Employing Staff,

....and many more.

The site is always changing, so please be sure to bookmark it for future reference - www.perryure.com.au.

CLIENT PROFILE:

Indoor Outdoor Spas has been established for 18 years and prides itself in local specialised service and advice, and with over 30 spas and gazebos on display at our Warners Bay store, we are Newcastle's largest spa retailer.

We sell a selective range of spa pools, spa baths and swim spas and in having exclusive agreements with a number of successful international and local spa manufacturers we are able to cover all of our customers needs.

We believe that buying a spa is much like buying a car, you should know what your buying



and have the opportunity to test drive. This is why we have a number of rooms set up so that if you are looking at buying a spa you can bring your swimmers down and test the spas in your own privacy.

In recent years we have branched out into gazebos and saunas which we have found to be extremely popular

in the renovation market over the last two years.

If you are interested in any information please do not hesitate to call the team:

Adam, Joe and Dianne
Phone: 49565588
Address: 301 Hillsborough Rd,
Warners Bay
(Next to Blue Haven Pools)

-Perry Ure News-

CAR EXPENSES: Rates per kilometre for 2002/03

The cents per km rates for car expenses for the year ending 30 June 2003 have been issued (see table below). These rates are applicable to claims where the vehicle has travelled a maximum of 5000 business

kms during the financial year. They are also used to calculate the taxable value of certain fringe benefits provided during the FBT year ending 31 March 2003.

Car Size	Rate
• Small Car (non-rotary engine not exceeding 1600cc, or rotary engine not exceeding 800cc)	50.0c per km
• Medium Car (non-rotary engine 1601cc - 2600cc, or rotary engine 801cc-1300cc)	60.0c per km
• Large Car (non-rotary engine 2601cc and above, or rotary engine 1300cc and above)	61.0c per km

-CALENDAR-

3 June.....Final date for all 2002 Income Tax Returns
6 June.....FBT Returns for non installment payers
23 June.....May 2003 Monthly Activity Statements due
30 June.....Superannuation payments for employees to be paid for year to enable tax deduction in 2003 financial year

visit www.perryure.com.au
for regular updates

-NEWS FROM ASIC-

As from 1 July 2003 companies will no longer be required to lodge an **Annual Return** with the Australian Securities & Investment Commission (ASIC). They will, however, be sent an **Annual Statement** on their **Review Date**, which will be consistent with the company's date of incorporation.

If all details on the statement are complete and correct then all that is required is for the annual statement fee of \$200 to be paid. If details need to be updated then this is to be done within 28 days of the statement date to ensure compliance with the ASIC.

If you have any questions on these recent changes, please contact Anne Bates on ph 49264522 or email abates@perryure.com.au.

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