



solutions news

07.2005

We have just celebrated our 1st birthday as Murray Business Solutions, and quite a year it has been too.

Since 1st July last year we have relocated to a larger office, recruited several people and said goodbye to Paula Blackwell and Karin Gerstbrien, and significantly grown our client base. It seems we had challenges on a number of fronts, not the least being installing new computers and software, utilising the internet technology and all the complexities that go with creating firewalls and systems for security of client data.

Naturally various Government Agencies are wanting to do business on the internet which is OK to demand it, but is a cost and learning curve for everybody else. However, we survived all that, and with the patience and consideration allowed us by all of our clients, we completed our lodgement program. We want to take this opportunity to express our profound gratitude for your assistance and understanding in our first year.

You may have noticed that we have recently overhauled our logo with something a little fresh, something that we felt better represents who we are and what we are about. It was important to communicate that while we are a firm with traditional

elements, we have a strong focus on finding innovative solutions to clients needs – thinking outside the square. A big thankyou to Timothée Christinat and Matthew Daniell for their enduring patience in creating the finals, and to Nick Young and Tass Gyenes for their original concepts.

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MBS TEAM

We are now quite excited and looking forward to this year, now that our systems are in place and everyone is getting up to speed. It will certainly be easier the second time around and with a full complement of staff from the start. Those of you who call in to the Office will know most of the staff, but to everyone else I would like to do a brief introduction to the team.

Lisa Macdonald – Graduated with her Bachelor of Business degree at the Victoria University of Technology in 1999 and worked in two busy Melbourne accounting and tax practises before joining us in April last year. Lisa heads up our tax team working closely with myself and is readily available if I am not.

Paul Murray – Graduated with a Bachelor of Commerce at Deakin University, Warrnambool in 1996 and has spent the last seven years as a project manager with a computer games company developing games software for the international market, and so comes with considerable skills in financial management and IT. Paul works with Lisa in the tax area, and looks after our practice IT facilities. He probably realised the boss needed help in that area!

Paula Mason – Comes from the travel industry and is well advanced with her degree courses in law and accounting at the University of South Australia. She is currently on the Vice Chancellors list of high achievers and is looking forward to graduating next year. Paula is managing our rapidly growing Self Managed Superannuation Fund portfolios and works closely with myself. Should you need any assistance and I am not available, then give Paula a call.

Brad Warncken – studying accounting at Adelaide University and works part time with us in the tax area supporting Lisa, Paul and myself as required. A handy footballer I am told too.

Roseanne Tee – Our capable administrator who tries to keep us in line. Roseanne has only been with us for two months and has shown initiative and a willingness to get on with the job which is a big help when things get busy.

And finally, our short term contract receptionist **Naomi Solomon**, who has filled in very well during the relocation and staff change in the admin area. Naomi has only just finished her contract with us last week.

SO WHAT IS AHEAD FOR THE NEXT YEAR

Firstly I plan to take a break for a few weeks (actually 5 weeks). Denise and I will be visiting our daughter Leanne and her husband Raphael in Switzerland, doing some bike riding along the Danube to Vienna, and chilling out in a cottage in the south of France.

In the meantime everyone here is keen to get on with the job for this year, so don't be shy about getting your records in. Lisa and Co are keen to greet me on my return with a heap of work to review!

Then, in October Lisa, her sister and their respective husbands are taking their Mum on a trip down memory lane to India where Jenny taught for five years. That will be an experience, but they are doing it the easy way, by train. Cycling India is not on their agenda apparently (very disappointing!).

Apart from that it will be heads down and getting on with the job.



“WE TAKE THE VIEW THAT TAX IS AN OVERHEAD THAT CAN BE MANAGED EFFECTIVELY LIKE OTHER BUSINESS OVERHEADS”

DES MURRAY FCPA

TAXATION ISSUES

Budget 05

The major announcement this year was the good news for clients with Self Managed Superannuation Funds with the removal of the highly unpopular Superannuation Surcharge. It was in reduction mode, but now it is gone from 1st July this year. This means that the full amount of the aged based limit contributions for the 2006 year - \$100,587 for the over 50 year olds, \$40,560 for the 35-49 year olds, and \$14,603 for the under 35's, will be deductible per person. The contributions are still taxed, but at a flat 15% compared to most taxpayers rates of between 31.5% and 48.5%. On this basis it makes sense to hold your investment assets in a Self Managed Superannuation Fund. Talk to us for further information.

Imputation Credits

We are sometimes asked what Imputation Credits are. In 1987 the Government introduced the dividend imputation system which was to ensure that the tax paid by companies is passed on to shareholders as a tax credit attached to the dividend. This meant that the shareholder received the benefit of the tax already paid, and so ensuring that the dividend was only taxed once, but at the shareholders personal tax rates. Keep your dividend slips so that you can claim any tax credits on your tax return.

Child Care Tax Rebate

For the 2005-06 year a tax rebate is available for 30% of your out of pocket child care expenses incurred from 1st July 2004 with a maximum rebate of \$4,000 per child per year. However, it must be claimed in the 2005-06 year, so keep your receipts and records.

Personal Tax Rates Cut

From 1st July 2005 the Government has decreased the amount of tax to be withheld from wages. For all businesses with employees, please update your tax tables from your software providers or from the ATO. The new tax tables are available from the website at www.ato.gov.au/businesses/content.asp?doc=/content/33283.htm or in paper format. Please phone our office for further information.

SUPERANNUATION ISSUES

Choice of Fund

From the 1st July, most employees will have a statutory right to choose their own superannuation fund, including their own registered and complying Self Managed Superannuation Fund. Employers do need to be aware of what 'Choice' means to them and seek advice as required. Further information can be obtained from www.superchoice.gov.au, the ATO's Super Choice Infoline on 13 28 64 or our office.

Superannuation Co-contribution

Employees earning up to \$28,000 total income in 2005 and making personal contributions to superannuation will receive a co-contribution of \$1.50 for every dollar put into a super to a maximum of \$1,500. A partial co-contribution will be paid to those who earn up to \$58,000, at which point the co-contribution cuts out. The amount of co-contribution reduces by five cents for every dollar earned over \$28,000. To be entitled to the

co-contribution, eligible individuals need to make a personal contribution to their superannuation fund by the end of the year and lodge their tax return. The ATO does the rest. Please ring us if you would like more information.

IRISH MEDICAL DICTIONARY

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| ARTERY | The study of paintings |
| BARIUM | What doctors do when patients die |
| CAESAREAN SECTION | A neighbourhood in Rome |
| CAT SCAN | Searching for kitty |
| CAUTERISE | Made eye contact with her |
| COMA | A punctuation mark |
| DILATE | To live longer |
| ENEMA | Not a friend |
| IMPOTENT | Distinguished or well known |
| LABOUR PAIN | Getting hurt at work |
| MEDICAL STAFF | Doctor's cane |
| MORBID | A higher offer |
| NITRATES | Cheaper than day rates |
| NODE | Was aware of |
| PAP SMEAR | A fatherhood test |
| PELVIS | A cousin of Elvis |
| RECOVERY ROOM | A place to do upholstery |
| RECTUM | Dang near killed 'em |
| SEIZURE | A Roman emperor |
| TABLET | A small table |
| TERMINAL ILLNESS | Getting sick at the airport |
| TUMOUR | More than one |
| URINE | Opposite of "You're Out!!" |
| VARICOSE | Nearby |
| VEIN | Conceited |



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