

Budget 2024



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COST OF LIVING RELIEF IN THIS YEARS BUDGET ANNOUNCEMENT

The reworked stage 3 tax cuts form the centrepiece of the government's budget. They were announced in January, legislated in February and come into effect on July 1.

The changes to tax cuts originally legislated by the Morrison government mean that all Australian taxpayers who earn more than \$18,200 (that is, more than the tax-free threshold) will get a tax cut.

A person with a taxable income between \$45,000 and \$120,000 will receive a tax cut of \$804 more come July 1 under the revised stage 3 changes compared to the Morrison government's tax plan.



EDUCATION, TRAINING AND HECS CHANGES



The biggest announcement in this area is the wiping out of \$3 billion worth of HECS debts triggered by last year's indexation of 7.1 per cent.

It means student debts will be lowered for more than 3 million Australians, with the average student receiving an indexation credit of about \$1,200 for the past two years.

The debt relief will also apply for apprentices who owe money through the VET Student Loan program or the Australian Apprenticeship Support Loan.

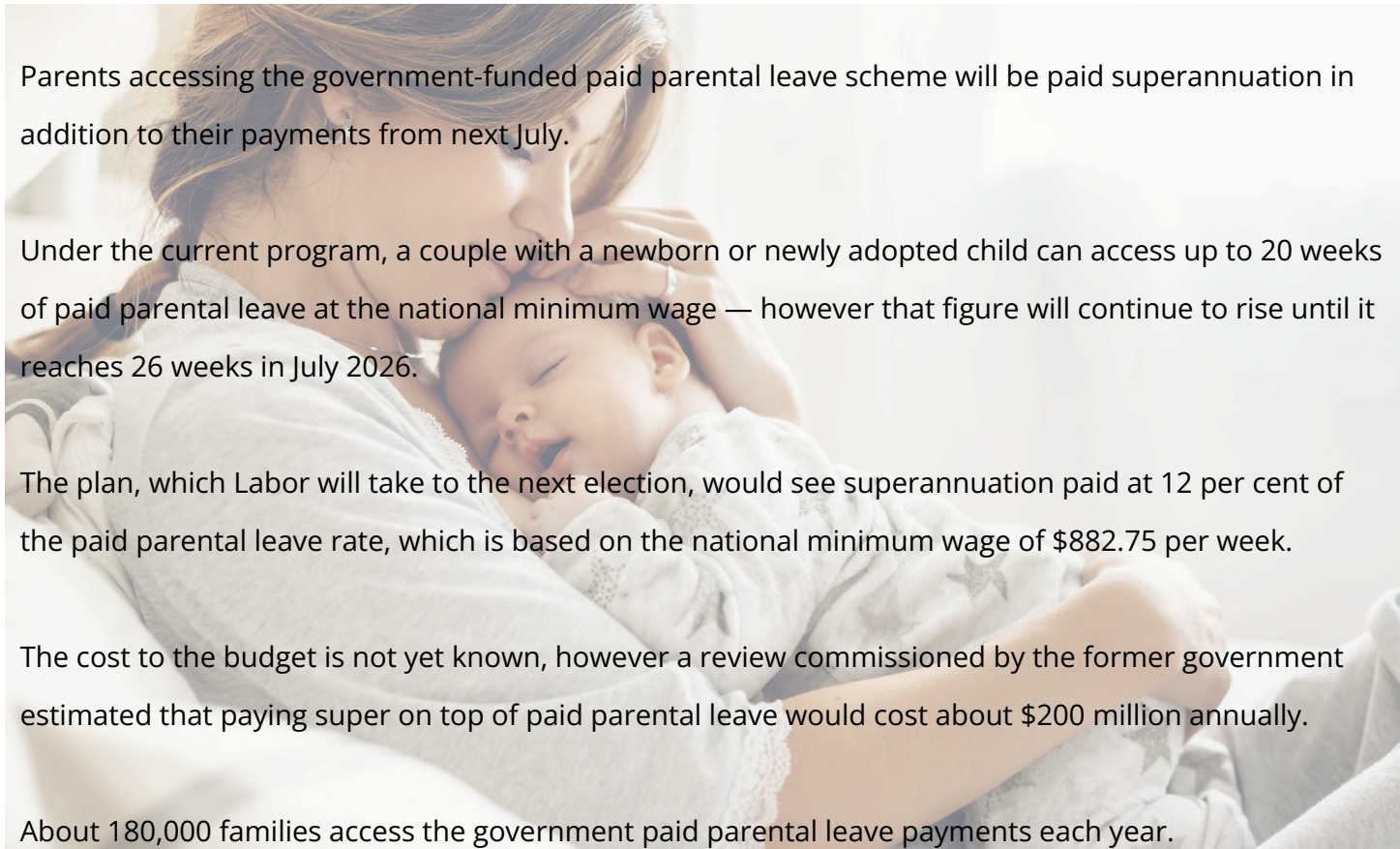
Under the scheme, those studying nursing, teaching or social work will receive a Commonwealth Prac Payment of up to \$319.50 a week, but they will be subjected to means testing.

Similarly, apprentices willing to learn clean energy skills as part of their trade will be eligible to receive up to \$10,000 in payments. The scheme already exists, but the government has broadened the eligibility to include apprentices in the automotive, electrical, housing and construction sectors based on industry feedback.

Universities will also be required to stop a surge in the number of international students, as part of the government's broader plans to cut annual migration levels back to 260,000 a year.

If you paid off your student loan within the past year, you could be entitled to a juicy little tax return.

PAID PARENTAL LEAVE

A close-up photograph of a woman with long brown hair, wearing a white lace-trimmed top, gently kissing a newborn baby on the forehead. The baby is wearing a white patterned onesie and is sleeping peacefully. The background is softly blurred, showing a window with light coming through.

Parents accessing the government-funded paid parental leave scheme will be paid superannuation in addition to their payments from next July.

Under the current program, a couple with a newborn or newly adopted child can access up to 20 weeks of paid parental leave at the national minimum wage — however that figure will continue to rise until it reaches 26 weeks in July 2026.

The plan, which Labor will take to the next election, would see superannuation paid at 12 per cent of the paid parental leave rate, which is based on the national minimum wage of \$882.75 per week.

The cost to the budget is not yet known, however a review commissioned by the former government estimated that paying super on top of paid parental leave would cost about \$200 million annually.

About 180,000 families access the government paid parental leave payments each year.

Sustainable Investing: A Growing Trend

Sustainable investing, once a niche market, is now gaining significant traction as more individuals align their financial goals with their ethical values. From climate change to gender diversity, investors are increasingly looking to support companies and initiatives that prioritize social responsibility and environmental stewardship.

In 2022, Australia's sustainable investment market reached an impressive valuation of \$1.3 trillion, according to the Responsible Investment Association Australasia (RIAA) 2023 benchmark report. This represents a substantial portion, 36 percent, of total professionally managed funds, showcasing the mainstream acceptance of sustainable investing.

Sustainable investments offer a diverse array of assets beyond traditional shares and fixed interest options. These include property, alternatives like forestry and infrastructure, private equity, and cash. Many major super funds now provide sustainable investment options, some even offering them as default choices. Additionally, there's a growing availability of sustainable managed funds, including a variety of exchange-traded funds (ETFs).

But what exactly constitutes a sustainable investment? Often referred to as ethical, responsible, or ESG (environmental, social, governance) investing, these strategies prioritize considerations beyond financial returns. They may employ various screening methods such as positive screening, negative screening, norms-based investing, or impact investing to select investments aligned with specific values.

The performance of responsible investment funds compared to mainstream funds has historically been a concern for some investors. However, recent data suggests that responsible multi-sector growth funds and Australian share funds have often outperformed or been on par with their mainstream counterparts over various timeframes.

As the demand for sustainable investments grows, so does the risk of "greenwashing," where products may misrepresent their environmental or ethical commitments. Investors are urged to scrutinize product terms carefully and look for clear explanations of how these products align with sustainability goals.

Australian companies are also stepping up their sustainability efforts in response to investor preferences and regulatory pressures. An analysis by PwC found a significant increase in ESG reporting among Australia's top 200 listed companies, with more companies committing to net zero emissions and disclosing climate risks and gender diversity policies.

For investors seeking both financial returns and sustainability, the momentum and choices in the sustainable investing space are expanding. If this area interests you feel free to reach out to us.

[Current as of March 2024]

Sources:

- Responsible Investment Association Australasia: responsibleinvestment.org/resources/benchmark-report/
- PwC: pwc.com.au/assurance/environmental-social-and-governance-reporting.html

2024 FRINGE BENEFITS TAX



June 25th is the day you need to lodge and pay for your 2024 Fringe benefits tax annual return.

LODGEMENT DEADLINES FOR FAMILY TAX BENEFIT OR CHILD CARE SUBSIDY

Clients who receive Family Tax Benefit (FTB) or Child Care Subsidy (CCS), they and their partner must lodge their 2022–23 tax returns by 30 June.

If they don't lodge by the deadline, Services Australia may require them to repay any money they received during the 2022–23 financial year. They may also miss out on any top-up payments that Services Australia pay after their payment is balanced.



INSTANT ASSET WRITE-OFF INCREASE FROM \$1000 TO \$20,000

On 14 May 2024, as part of the 2024–25 Budget, the government announced it will continue to improve cash flow and reduce compliance costs for small businesses by extending the \$20,000 instant asset write-off by a further 12 months until 30 June 2025. This measure was previously announced as part of the 2023–24 Budget[External Link](#) in relation to the 2023–24 income year.

These measures are not yet law.

If you would like assistance in navigating the instant asset write-off in relation to your small business, please don't hesitate to get in touch with us.



CHANGES TO REPORTING REQUIREMENTS FOR NOT-FOR-PROFITS



From 1 July, non-charitable not-for-profits (NFPs) with an active Australian business number (ABN), must lodge an annual NFP self-review return to self-assess as income tax exempt.

The first NFP self-review return needs to be lodged for the **2023–24** income year by **31 October 2024**.

The ATO has a guide for you: ato.gov.au/NFPselfreviewguide

A downloadable form and a fillable PDF form is available.

Complete the fillable PDF form on your device and print it. If you can't complete the fillable PDF, print the form and complete it by hand. Attach the evidence of the changes and post back to the ATO.

Australian Taxation Office PO Box 3373, PENRITH NSW 2740. Please allow for up to **12 weeks to confirm the updated details**.

EOFY CHECKLISTS

Navigate EOFY procedures with ease using this comprehensive checklist. From finalising transactions to reviewing financial statements, each step is carefully outlined to ensure nothing falls through the cracks.

**DOWNLOAD THE
EOFY CHECKLIST**

**DOWNLOAD END OF
PAYROLL YEAR
CHECKLIST**



BUSINESS BASICS GRANT LAUNCHES 29TH MAY 2024

Small businesses can now check the eligibility criteria and other details for the upcoming fifth round of the [Business Basics Grants](#), which will focus on fostering resilience.

This round offers \$5,000 grants to support business continuity and succession planning, security planning and solutions or sustainability activities. It aims to help businesses prepare for, respond to or recover from natural disasters and major events or improve their day-to-day operations.

Review the program details now and if your business is eligible, a registration of interest process will open at 9am on Wednesday 29 May.

Applications close Tuesday 11 June 2024.

NEW POWER BILL RELIEF



\$300 energy rebates for every household

The Government is providing \$3.5 billion in energy bill relief for all Australian households and around one million small businesses.

From 1 July 2024, more than 10 million households will receive a total rebate of \$300 and eligible small businesses will receive \$325 on their electricity bills throughout the year.

TIME FOR A SUPER HEALTH CHECK



It's never too early to think about your super and the earlier you get on top of it, the better. It's a good idea to regularly review and manage your super.

There are 5 simple yet important steps you can take today to get on top of your super.

Download and follow the ATO checklist [here](#).

Contact one of our team today

IMPORTANT DATES

JUNE							2024
SUN	MON	TUE	WED	THU	FRI	SAT	
						1	
2	3	4	5	6	7	8	
9	10	11	12	13	14	15	
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30							

JULY							2024
SUN	MON	TUE	WED	THU	FRI	SAT	
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21	22	23	24	25	26	27	
28	29	30	31				

AUGUST							2024
SUN	MON	TUE	WED	THU	FRI	SAT	
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11	12	13	14	15	16	17	
18	19	20	21	22	23	24	
25	26	27	28	29	30	31	

5 June

- Lodge a tax return for all entities with a lodgment due date of 15 May 2024 if the tax return isn't required earlier and both of the following criteria are met:
 - non-taxable or a credit assessment in latest year lodged, and
 - non-taxable or receiving a credit assessment in the current year.
- Lodge tax returns due for individuals and trusts with a lodgment due date of 15 May 2024, provided they also pay any liability due by this date.

21 June

- Lodge and pay May 2024 monthly business activity statement.

25 June

- Lodge and pay 2024 Fringe benefits tax annual return for tax agents if lodging electronically.

30 June

- Super guarantee contributions must be paid by this date to qualify for a tax deduction in the 2023–24 financial year.

July 14

- Finalisation declaration for payments to your employees due. Learn about end-of-year finalisation through Single Touch Payroll (STP) on the Australian Taxation Office (ATO) website.
- Pay as you go (PAYG) withholding payment summaries for your employees due. This is only for payments not reported through STP.

July 28

- Quarter 4 (April, May and June) super payments due.
- Quarter 4 (April, May and June) BAS due.

August 14

- PAYG withholding payment summary annual report due. This is only for payments not reported through STP.

August 28

- Taxable payments annual report (TPAR) for payments to contractors due. Work out if you need to lodge a TPAR on the [ATO website](#).