

JUNE 2007

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EDITION 4

## Newsletter

### News & Events

### Superannuation Seminar!

Tassgroup will be running a **FREE** Superannuation seminar.

Topics include:

- **Why are SMSFs so popular**
- **How to build your SMSF into a tax haven**
- **Transition to retirement rules and strategies**

**Date:** Monday 18th June 07

**Time:** 7:30am – 8:30am

or 10:30am - 11:30am

(two different session times for your convenience)

**Venue:** E.J Faulkhead Room at Hotel Mildura, 120 Eighth St, Mildura

*Light refreshments Supplied*

Please register your place by contacting Belinda on 50 213355 or [belinda@tass.com.au](mailto:belinda@tass.com.au)

### QUOTE OF THE MONTH!

*'Success is not the key to happiness. Happiness is the key to success. If you love what you are doing, you will be successful'.*

- Herman Cain

### SPLITTING YOUR SUPERANNUATION & CENTRELINK ISSUES

Contribution splitting in conjunction with salary sacrifice to Superannuation in the name of the spouse who will qualify for the age pension later can have Centrelink advantages. Funds retained in the accumulation phase do not count as assets for the pension assets test. This can produce an entitlement to a full or partial pension.

Effective as from 10th April 2007, you can no longer split an un-deducted Superannuation contribution with your spouse.

#### Term allocated Pension

There is a limited opportunity for those clients who may benefit from placing part of their fund in a Term Allocated Pension before they cease to be offered on 30th June 2007. Alternatively clients may use a complying annuity commenced before 20th September 2007. The capital of these income streams will be 50 per cent exempt from the pension asset test.

Talk to John Keogh if you need advice or assistance on these matters. Ph: 50213 355 or email [johnk@tass.com.au](mailto:johnk@tass.com.au)



### BUSINESSES FOR SALE

Tass Business Brokers has always got a variety of businesses listed for sale. If you are interested in any of the following:

- Purchasing an existing business
- Selling your business
- Acquiring a new franchise business
- Starting a business from scratch

Contact John Fumberger on Ph: 50213 355 or email [johnf@tass.com.au](mailto:johnf@tass.com.au)

### Staff Profile Ian Wescombe

Ian is a qualified CPA Accountant and has worked for TASS for 12 years. Ian's areas of specialisation include Audit, Accounting and Taxation fields.

#### Loves:

- Good Coffee
- Fishing / boating
- Basketball

#### Dislikes:

- Maintaining lawns & gardens
- Poor mobile phone coverage

#### Goals:

- Navigate around the Australian coast in a topsail schooner.
- Travel to Egypt to see the pyramids.



#### The best part about my job:

Getting out of the office and interacting with clients within their own businesses environment. Obtaining a "behind the scene" understanding on how their business operates.

Newsletter

**BUDGET 2007/2008**

Budget announcements that will affect you:

- Dependant Spouse rebate will be increased to \$2100.
- Co-contribution one off back payment of up to an extra \$1500 based upon your 2005/06 payment.
- Tax Rates have been lowered. (See chart)
- Seniors one off payment of \$500 before 30th June 2007.
- Payment of \$1000 one off career bonus payment.

Talk to your tassgroup team member about these an other very important changes.

**New tax rates chart**

New Tax Thresholds (1 July 2007) \$	Tax Rate %	Tax Payable \$	Tax Saving \$
0 – 6,000	0	0	0
6,001 – 30,000	15	3,600	750
30,001 – 75,000	30	17,100	750
75,001 – 150,000	40	47,100	750
150,000 +	45		750

**Child Care Changes 2007-08**

**Child Care Benefit**

The Australian Government will be investing a further \$2.1 billion in child care over the next four years.

As a subsidy to reduce child care fees for families, the rate of Child Care Benefit (CCB) will be increased by 10per cent, on top of the normal Consumer Price Index (CPI) increase. This is an increase of more then 13per cent.

**Child Care Tax Rebate**

From 1 July 2007 the child care tax rebate will be paid as an annual lump sum payment by the Family Assistance Office rather then a claim through the ATO. This means families will now receive this assistance 12 months earlier, and will not appear on income tax returns for 2008 and future years.

**Factors we believe are contributing to Sunraysia's Sustained growth/economy:**

1. Existing wealth structure & very good infrastructure,
2. The area has become a dynamic freight hub,
3. Major projects (past/ present):
  - Court House - Mildura
  - Police Station - Mildura
  - Robinvale Bridge
  - Marina development
  - Karadoc Winery,
4. Preferred retirement site for significant amount of retirees,
5. Wine grapes / agriculture,
6. Housing & construction,
7. Backpackers/tourists,
8. Mining,
9. Special attractions/events,
10. Managed Investment Schemes.

Mildura's over 50 population is increasing at around 2% per annum, which highlights the importance of planning health services and facilities to meet the demands of an aging population.

Source: Sunraysia Mallee Economic Development Board

**Super Tip**

**Myth:** Anyone over 60 can withdraw super money tax free and keep working.

**Fact:** This is only true if the money is taken out of a taxed fund but depends on the type of fund and how you take the money out. Different rules apply to government pensions.

**Water Saving Tip**

Buy a Tap Aerator. Aerators restrict the flow of water from your tap without reducing water pressure. Fit an aerator to your taps and reduce the amount of water you use by more than 50%.

