



June 2011 Newsletter

In this edition of our newsletter, we look at what changes we are implementing for the look of our firm. Same people, same great service just unifying the brand.

Mean Mr Swan (hum the Beatles song Mean Mr Mustard whilst reading this article)

Our February 2011 newsletter discussed the tax deductibility of education expenses for Youth Allowance recipients. The government has announced that expenses cannot be claimed for all government assistance payments from 1 July 2011. Youth and Newstart Allowance recipients will still be able to claim education or job search expenses in their 2011 year tax return. Given the fact that Youth Allowance recipients only pay tax when they support themselves with extra work, this will not save the government much at all and is an unfair attack on people living below the poverty line struggling to make ends meet.

Get the Government to Contribute to your Super Fund

The government matches dollar for dollar up to \$1,000 personal contribution to super funds for people with an income of \$31,920 or less. The co-contribution is phased progressively to an income level of \$61,920. To take advantage of this opportunity, you need to make a personal contribution to your super fund before 30 June 2011.

25% reduction on minimum pension drawdown

The government introduced 50% reduction on minimum pension draw downs for 2010 and 2011 years as a result of global financial crisis. For the 2012 year a 25% reduction applies on minimum pension draw downs.

Small business car write-off

From 1 July 2012 small business will be entitled to an immediate write-off of \$5,000 on the purchase of motor vehicles. With the average marginal tax rate of 31.5% for most individuals, this only brings forward \$1,575 of tax savings but reduces tax deductions in future years.

Beware of the Family Tax Benefit Trap

Family Tax Benefit (FTB) is not automatically paid to eligible tax payers. If you are eligible for FTB Part A but you do not claim your payment, you will not be able to claim the Education Tax Refund until you notify the Family Assistance Office of your eligibility. Unfortunately we can no longer do this on our client's behalf.

Over 65? Pay less Stamp Duty on your Home...From the May 2011 Victorian Budget

Victorian budget measures will mean eligible seniors pay no stamp duty on their home purchase under \$440,000; this benefit reduces to \$750,000. Eligible seniors are holders of Centrelink's Health Care Card, Pensioner Concession Card, Veteran Affairs' Repatriation Health Card and Pensioner Concession Card. These measures will also be extended to Commonwealth Senior Health Card holders who previously were not eligible.

Off-site Data Download for BankLink now available!

BankLink has developed a solution that enables our clients to download data without waiting for us to send the data out at the end of each month. For an additional \$8 per month, BankLink data can be downloaded straight to your computer. Even better, certain financial institutions, including the big 4 Australian banks but excluding the Bendigo Bank, provide daily data updates at no additional cost. It is a huge advantage for business operators who adopt a "hands on" approach and provides greater control to business transactions.

Trust Tax Break Removed

From next month, children under age of 18 will not be able to access the Low Income Tax Offset to reduce against their non-work income such as a trust distribution or interest. This effectively reduces the tax-free trust distribution to \$416 from the current \$3,333 level costing most people \$918 per child.

Is your brain hibernating for winter as well as your body?

For those of you brave enough to come out on cool winter nights and who want to keep intellectually stimulated, we have scheduled seminars for the next four months on the topics listed below.

Rental Property	12 July 2011
Self Managed Superannuation/Superannuation	20 September 2011
Small Business Growth	18 October 2011

If you are at all interested, please put the dates into your diary and contact the office so that we can record your intention. Some people have misunderstood that there is no need to attend the SMSF (Self Managed Superannuation Fund) seminar if you do not currently have or are not intending to set one up. Some of the strategies are also relevant to those who are operating under the banner of retail and industry super funds and the advice and understanding is relevant and invaluable for both. So get involved!

Do you need a super coach?

The Self Managed Superannuation Fund (SMSF) sector is the fastest growing part of Australia's \$1.3 trillion super industry. If you already have a SMSF, want control over your super but would like support, information and assistance to do so; then look no further. You can be involved in some of the detail and certainly the investment decisions. Our role can be as an advice mentor who can give high-level ideas and help you set your investment strategy and asset allocation approach. We are proactive in helping our SMSF trustee clients to educate themselves (via our seminars) and better articulate the value we can add as an information source.

For Women only.....

We are also running a Superannuation seminar for the Kyneton Women's Networking Group on Saturday 9 July at 2pm at our office in Kyneton. Come along if you are interested in joining the group. As always, our seminars are followed by refreshments which offer a chance for attendees to ask questions of David after the presentation in a relaxed fashion. Notes are handed out to take home and absorb at your leisure with follow up from David within a couple of days to clarify any queries that you have, or any scenarios that you wish to run past him for verification. (actually partners are welcome)

It's all about the image....

As part of our annual review last year, we decided to update our brand and how David J Gibney Pty Ltd presents itself to the market. We have come up with the new logo and this means that our presence in the marketplace will be much more recognizable. We like to think that our presentation reflects that we have a solid history and are prepared to go that extra step when dealing with your issues to ensure that you are getting the most out of your financial advice.



Our energetic, knowledgeable and caring approach gives peace of mind.

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