



BUSINESS

BUSINESS COMPLIANCE GST

BUILDING STRONG FOUNDATIONS



COMPLIANCE



About Us

ITP Business Advisory was founded to offer small businesses with a relevant and affordable accounting support and advice.

We offer support and expertise to all business sizes from micro 'side hustles' to large scale multi-location corporations. We've grown significantly from our humble beginnings and have a dedicated network of staff to assist with your every business need.

GREAT SUPPORT

We aim to offer flexibility for our clients with a variety of support options offered via face-to-face, phone, email and skype.

FLEXIBLE SERVICES

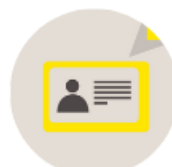
We scale our services - as no two businesses are the same we understand that no two service plans will be the same so we are here for what ever you need help with.

FIXED FEES

We quote all works upfront so there are no nasty surprises about our fees or our expected performance objectives.

CONTINUOUS IMPROVEMENT

We value learning and support feedback - we appreciate all our clients' continued support of our local business.





GST EXPLAINED

WHAT IS GST?

GOODS & SERVICE TAX (GST) IS A BROAD BASED TAX OF 10% ON MOST GOODS, SERVICES & OTHER ITEMS SOLD OR CONSUMED IN AUSTRALIA.

HOW DOES GST WORK ?

GENERALLY BUSINESSES REGISTERED FOR GST WILL INCLUDE GST IN THE PRICE OF SALES TO THEIR CUSTOMERS & CLAIM CREDITS FOR THE GST SPENT WHICH IS INCLUDED IN THE PRICE OF MANY OF THEIR BUSINESS PURCHASES.

HOW DO I KNOW IF I NEED TO CHARGE GST?

IF YOU RUN A BUSINESS AND HAVE A GST TURNOVER OF \$75,000 OR MORE (\$150,000 OR MORE FOR NON-PROFIT ORGANISATIONS), OR YOU PROVIDE TAXI TRAVEL (INCLUDING RIDE-SOURCING) - YOU NEED TO REGISTER AND CHARGE GST ON YOUR SALES - SOME BUSINESS SALES ARE EXEMPT - SEE EXEMPTIONS

REGISTERING FOR GST

WHEN DO I REGISTER FOR GST?

YOU WILL NEED TO REGISTER FOR GST IF YOUR CURRENT OR PROJECTED GST TURNOVER WILL REACH THE REGISTRATION THRESHOLD OF \$75,000

HOW DO I REGISTER ?

GENERALLY BUSINESSES REGISTRATIONS ARE MANAGED BY YOUR ACCOUNTANT OR DIRECTLY WITH THE ATO - PLEASE CALL US TO UPDATE YOUR REGISTRATION.

IS THERE A BETTER DATE TO REGISTER FOR GST?

WE PREFER YOU TO REGISTER AT THE START OF A MONTH OR THE START OF THE NEXT REPORTING QUARTER TO ENSURE THAT RECORDS ARE COMPLETE





GST IN APPLICATION

WHEN TO CHARGE GST

IF YOU ARE REGISTERED FOR GST - THE GOODS AND SERVICES YOU SELL IN AUSTRALIA ARE GENERALLY TAXABLE (YOU MUST CHARGE GST IN THEIR PRICE) UNLESS THEY ARE 'GST -FREE' OR 'INPUT TAXED'.

WHAT HAPPENS WITH GST?



WHEN YOU CHARGE GST ON AN ITEM - YOU ARE COLLECTING 10% FOR THE GOVERNMENT AS A GOODS AND SERVICE TAX
EACH BUSINESS ACTIVITY STATEMENT (BAS) REPORTS THIS AMOUNT AND YOU THEN MUST PAY THE GST COLLECTED LESS GST CREDITS TO THE ATO

SPECIAL EXEMPTIONS FOR GST

WHAT IS GST FREE?

MOST BASIC FOODS, SOME EDUCATION COURSES AND SOME MEDICAL, HEALTH AND CARE PRODUCTS AND SERVICES ARE EXEMPT FROM GST.

THIS MEANS THAT GST IS NOT INCLUDED IN THE SALE PRICE NOR CLAIMED WHEN YOU PURCHASE THESE GOODS.

WHAT IS INPUT-TAXED ?

INPUT-TAXED SALES ARE SALES OF GOODS AND SERVICES THAT DON'T INCLUDE GST IN THE PRICE. YOU CAN'T CLAIM GST CREDITS FOR THE GST INCLUDED IN THE PRICE OF YOUR 'INPUTS' - USUALLY FINANCIAL SUPPLIES & LEASES ON RESIDENTIAL PROPERTIES





GST IN APPLICATION

WHEN TO CLAIM GST

IF YOU ARE REGISTERED FOR GST - THE GOODS AND SERVICES YOU BUY IN AUSTRALIA ARE GENERALLY TAXABLE - UNLESS GST FREE - SO YOU CLAIM THE CREDITS FOR GST YOU HAVE SPENT

WHAT HAPPENS WITH GST?



WHEN YOU SPEND GST ON AN ITEM - YOU ARE PAYING 10% AS A GOODS AND SERVICE TAX. EACH BUSINESS ACTIVITY STATEMENT (BAS) REPORTS THIS AMOUNT AS A CREDIT AGAINST ANY GST COLLECTED ON SALES YOU PAY THE ATO THE DIFFERENCE.

$$\text{GST COLLECTED} - \text{GST PAID ON PURCHASES} = \text{GST PAYMENT}$$

SPECIAL EXEMPTIONS FOR GST

CLAIMS WHEN THERE IS NO GST ON THE PURCHASE?

YOU CAN'T CLAIM GST CREDITS FOR PURCHASES THAT DON'T HAVE GST INCLUDED IN THE PRICE.

- SUPPLIERS NOT REGISTERED FOR GST
- GST FREE & INPUT TAXED SUPPLIES
- PURCHASES FROM OVERSEAS

ALWAYS CHECK THE GST STATUS OF SUPPLIERS USING THE ABN LOOKUP

ABN LOOKUP





ACCOUNTING FOR GST

ISSUING TAX INVOICES

TAX INVOICES FOR TAXABLE SALES OF LESS THAN \$1,000 MUST INCLUDE ENOUGH INFORMATION TO CLEARLY DETERMINE THE FOLLOWING SEVEN DETAILS:

1. THAT THE DOCUMENT IS INTENDED TO BE A TAX INVOICE
2. THE SELLER'S IDENTITY
3. THE SELLER'S AUSTRALIAN BUSINESS NUMBER (ABN)
4. THE DATE THE INVOICE WAS ISSUED
5. A BRIEF DESCRIPTION OF THE ITEMS SOLD, INCLUDING THE QUANTITY (IF APPLICABLE) AND THE PRICE
6. THE GST AMOUNT (IF ANY) PAYABLE - THIS CAN BE SHOWN SEPARATELY OR, IF THE GST AMOUNT IS EXACTLY ONE-ELEVENTH OF THE TOTAL PRICE, AS A STATEMENT SUCH AS 'TOTAL PRICE INCLUDES GST'
7. THE EXTENT TO WHICH EACH SALE ON THE INVOICE IS A TAXABLE SALE (THAT IS, THE EXTENT TO WHICH EACH SALE INCLUDES GST)

1 Tax invoice

2 Windows to Fit Pty Ltd
ABN: 32 123 456 789 **3** 15 Burshag Road
Festler NSW 2755

4 Date: 1 August 2013

To: Building Company **8**
254 Burshag Road
Festler NSW 2755

Qty	Description of supply	Unit price	GST	Total
5 50	Window frames	\$150	\$15	\$8,250
10	Deadlocks	\$40	\$4	\$440
			6	
TOTAL AMOUNT PAYABLE				\$8,690

The total price includes GST **7**

IN ADDITION, TAX INVOICES FOR SALES OF \$1,000 OR MORE NEED TO SHOW:

8. THE BUYER'S IDENTITY OR ABN





ACCOUNTING FOR GST

RECORD KEEPING OBLIGATIONS FOR GST

YOU NEED TO RECORD YOUR SALES AND PURCHASES SO YOU CAN REPORT YOUR GST LIABILITIES ACCURATELY AND CLAIM THE GST CREDITS YOU'RE ENTITLED TO.

WHY DO I NEED SOFTWARE TO MANAGE MY GST?

MOST BUSINESSES FIND IT EASIER TO RECORD TRANSACTIONS ELECTRONICALLY. ACCOUNTING SOFTWARE CAN PRODUCE TAX INVOICES AND PROVIDE UP-TO-DATE SUMMARIES AND REPORTS OF YOUR GST LIABILITIES AND CREDITS, HELPING YOU MANAGE YOUR CASH FLOW AND COMPLETE YOUR ACTIVITY STATEMENT.

REPORTING TO THE ATO FOR GST

YOU REPORT AND PAY GST AMOUNTS TO THE ATO, AND CLAIM GST CREDITS, BY LODGING A BUSINESS ACTIVITY STATEMENT (BAS)

BAS PERIOD	DATE RANGE	REPORT DUE DATE:
QUARTER ONE	01/ JULY - 30/ SEPTEMBER	28TH OCTOBER
QUARTER TWO	01/ OCTOBER - 31/ DECEMBER	28TH FEBRUARY
QUARTER THREE	01/ JANUARY - 31/ MARCH	28TH APRIL
QUARTER FOUR	01/ APRIL - 30/ JUNE	28TH JULY





AVOIDING GST MISTAKES

RECORD KEEPING TIPS FOR GST

YOU NEED TO ENSURE THAT YOUR CHART OF ACCOUNTS IS SET UP CORRECTLY AND THE DEFAULT GST CLAIM IS CORRECT IN YOUR SETTINGS

DON'T BLANKET CLAIM GST ON ALL EXPENSES - TAKE CARE AND LOOK AT SUPPLIER INVOICES TO SEE IF GST IS APPLICABLE TO THE PURCHASE

DON'T FORGET CASH SALES ARE STILL APPLICABLE TO GST !

TAKE CARE WHEN PROCESSING RECEIPTS FOR ITEMS LIKE:

- WATER
- VEHICLE REGISTRATIONS
- LICENCING & GOVERNMENT FEES
- FRESH FOOD & PRODUCE
- EDUCATIONAL PRODUCTS
- TRAINING & COURSES

TOP TEN GST CLAIM MISTAKES - CLAIMING ON NON-CLAIMABLE ITEMS

1. RESIDENTIAL RENTAL PAYMENTS
2. PRIVATE/ MIXED USE EXPENSES - THESE NEED TO BE APPORTIONED ACCORDINGLY
3. INTEREST - THIS HAS NO GST IN THE EXPENSE
4. BANK FEES - DON'T HAVE GST BUT MERCHANT FEES DO
5. THE TOTAL COST OF A BUSINESS INSURANCE POLICY - ONLY PART IS APPLICABLE
6. GOVERNMENT FEES - MOST DON'T HAVE GST
7. GST-FREE PURCHASES - CLAIMING ON ITEMS THAT DON'T HAVE GST IN THE SALE (WATER)
8. PURCHASES FROM SUPPLIERS WHO ARE NOT REGISTERED FOR GST
9. ENTERTAINMENT EXPENSES
10. WAGES AND SUPERANNUATION PAYMENTS TO STAFF DON'T ATTRACT GST





BUSINESS ADVICE PRICING



SMALL BUSINESS SET UP & REGISTRATIONS

ABN APPLICATION	\$ 100
BUSINESS NAME REGISTRATION (3 YR)	\$ 150
COMPANY SET UP	\$ 1650
DISCRETIONARY TRUST SET UP	\$ 650
TRUST WITH CORPORATE TRUSTEE	\$ 2000

INITIAL SMALL BUSINESS ADVICE | START UP ADVICE 30 MINS **\$ FREE**

- DISCUSS GOOD BUSINESS PRACTICE STRATEGIES VITAL TO SMALL BUSINESS
- EVALUATE PROS & CONS OF A VARIETY OF BUSINESS STRUCTURES
- REVIEW START-UP PROCESS WITH PBS
- DISCUSS COMPLIANCE (ATO REPORTING, INSURANCES & GST)

GENERAL BUSINESS ADVICE SESSION **\$ 130**

- REVIEW CURRENT & FUTURE BUSINESS OPERATION
- ASSESS TRADING CONDITIONS & CLIENT OBJECTIVES
- INFORMAL REVIEW OF FINANCIAL PERFORMANCE & GOALS
- DISCUSS OPERATIONAL OBJECTIVES & OUTSTANDING ATO COMPLIANCE

BOOKKEEPING SUPPORT PRICING



EXPENSE / CREDITORS SUPPORT **\$ 70 P/HOUR**

- RECEIPTS COLLATION & DIGITAL STORAGE
- DATA ENTRY & ADVANCED TAX EFFECTIVE CODING OF BUSINESS ITEMS
- END TO END ACCOUNTS PAYMENT SUPPORT - INVOICE TO PAYMENT - ABA FILE UPLOAD
- TREASURY ACCOUNTING SUPPORT - BANK RECONCILIATION AND DATA ENTRY REVIEW

INCOME / DEBTORS SUPPORT **\$ 70 P/HOUR**

- INVOICING SUPPORT & ADVANCED INVOICING - ON-CHARGES AND PO'S
- INCOME MANAGEMENT SUPPORT FOR SOFTWARE INTEGRATIONS
- END TO END DEBTOR MANAGEMENT - QUOTE - INVOICE - STATEMENTS - DEBT COLLECTION
- TREASURY ACCOUNTING SUPPORT - BANK RECONCILIATION AND DATA ENTRY REVIEW

PAYROLL SUPPORT **\$ 70 P/HOUR**

- END TO END PAYROLL - TIME SHEETS - PAYROLL PROCESSING - PAYMENT- ABA FILE UPLOAD
- SUPERANNUATION ACCRUALS PROCESSING & PAYMENT (DIRECT DEBIT OR ABA FILE UPLOAD)
- ATO COMPLIANCE - PERIODICAL PAYROLL REPORTING & PAYMENT - ABA FILE UPLOAD
- TREASURY ACCOUNTING SUPPORT - BANK RECONCILIATION AND DATA ENTRY REVIEW



SOFTWARE MANAGEMENT SUPPORT



SMALL BUSINESS SOFTWARE SET UPS *

XERO SET UP	\$ 199
PAYROLL SET UP (PER 10 EMPLOYEES)	\$ 50
CUSTOMIZATION OF INVOICES, QUOTES & STATEMENTS	\$ 70 P/hour
SERVICE M8 JOBBER SET UP	\$ 650
SQUARE STRIPE SET UP	\$ 55

SUBSCRIPTION BASED PRICES | EXTERNAL CHARGES LESS 15% DISCOUNT

XERO STARTER - BASIC MICRO SOFTWARE	\$ 22 P/M
XERO WITH PAYROLL (INCREASES EVERY 5 EMPLOYEES)	\$ 43 P/M
RECEIPT BANK FOR DIGITAL RECEIPT COLLECTION	FREE
SQUARE STRIPE SET UP	P/TRANS

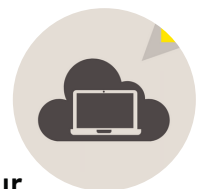
ADVANCE SOFTWARE FEATURE SUPPORTS \$ POA

- CUSTOMISED REPORTING SET UP
- EXCEL & THIRD PARTY APPLICATION INTEGRATION
- POLICIES AND PROCEDURES - BUSINESS SPECIFIC CREATED & SUPPLIED IN PDF

ADHOC TECHNOLOGY SUPPORT \$ POA

- DOMAIN & WEBSITE SET UP
- BUSINESS EMAIL CONFIGURATION - G-SUITE OR MICROSOFT 365

SOFTWARE TRAINING SOLUTIONS



XERO TRAINING \$ 90 P/hour

- ESSENTIAL BUSINESS BOOKKEEPING - PROCESSING (1 HR)
- INTERMEDIATE BUSINESS BOOKKEEPING - CONCEPTS AND PROCESSING (3 HR)
- ADVANCED SPECIFIC XERO TRAINING (1 HR)

PAYROLL PROCESSING TRAINING \$ 90 P/hour

- ESSENTIAL PAYROLL - PROCESSING (1 HR)
- ADVANCED PAYROLL HR - CONCEPTS AND PROCESSING (3 HR)
- SPECIFIC PAYROLL SUPPORT TRAINING - EOFY | PAYROLL SETTINGS AND DESIGN (1 HR)



BOOKKEEPING COMPLIANCE PRICING

SMALL BUSINESS COMPLIANCE

FROM:



BUSINESS ACTIVITY STATEMENT (BAS / GST)

\$ 250

- REVIEW DATA ENTRY & GST CODING FROM ELECTRONIC BOOKKEEPING SOFTWARE
- EVALUATE DEDUCTABILITY OF EXPENSE CODING FROM TRANSACTIONS
- LODGE BAS DIGITALLY WITH THE ATO
- UPLOAD ATO BILLS FOR PAYMENT - ABA FILE OR ARRANGE ATO PAYMENT PLAN

MONTHLY PAYROLL REPORTING (IAS / SUPER)

\$ 95

- REVIEW MONTHLY PAYROLL JOURNALS & ALLOCATE ACCORDINGLY
- LODGE PAYROLL REPORTS DIGITALLY WITH THE ATO
- PROCESS SUPER ACCRUALS FOR PAYMENT MONTHLY /QUARTERLY PAYMENT OPTIONS
- UPLOAD ATO BILLS FOR PAYMENT - ABA FILE OR ARRANGE ATO PAYMENT PLAN

MONTHLY MANAGEMENT REPORTS

INCLUDED FOR MANAGED CLIENTS

- REVIEW MONTHLY PERFORMANCE COMPARED TO PREVIOUS PERIOD
- PERIOD TO DATE COMPLIANCE SCHEDULE
- PERIOD TO DATE ESTIMATED GST PROJECTIONS & EOFY TAX POSITION
- LIST OF AGED RECEIVABLE (WHO OWES YOU MONEY) & PAYABLES (WHO YOU OWE)

TAXATION COMPLIANCE PRICING

SMALL BUSINESS TAX RETURNS

FROM:



SOLE TRADER	\$ 260
PARTNERSHIP TRUST	\$ 600
COMPANY	\$ 600
BUSINESS OWNER STANDARD TAX RETURN	\$ 205
RENTAL SCHEDULE - PER PROPERTY	\$ 85
CAPITAL GAINS TAX - SHARES	\$ POA
CAPITAL GAINS TAX - PROPERTY	\$85
CAPITAL GAINS TAX - BUSINESS SALES	\$POA

TAXATION PROCESS

- TAX RETURNS FOR YOUR BUSINESS MUST BE PROCESSED PRIOR TO INDIVIDUAL RETURNS
- OPTION FOR IN PERSON CONSULTATION OR DIGITAL CONSULTATION
- ALL COMPLIANCE WORK IS SCHEDULED SO BOOKINGS ARE ESSENTIAL