

---

**Welcome to our latest e-newsletter.**

Our final newsletter for 2013! Thank you for the opportunity to work with you over the last 12 months. We're all looking forward to a break and hope that you get the opportunity to do the same. Please take note of our Christmas closure times at the end of this newsletter.

In this issue, the Coalition has introduced legislation to repeal the Mining Tax which means we now have some effective dates for the abolition of some associated tax measures promised before the election and outlined in our previous edition. Plus we applaud the work of The Precocious Penguins, Car 222, in this year's SA Variety Bash.

**Special note for those in business: please pay special attention to the 'capital allowances for small businesses' section below. There may be significant tax savings to be had by taking action before 31st December!**

**In this edition...**

- [The new Government gets to work](#)
- [Another successful Variety Bash for Car 222](#)
- [Seasons Greetings](#)

---

**The new Government gets to work**



**The new Federal Government has wasted no time in commencing the process of delivering on many of its pre-election promises.**

On 13th November 2013 the rather verbosely titled [Minerals Resource Rent Tax Repeal and Other Measures Bill 2013](#) was introduced to Parliament. If passed, it will repeal a number of pieces of legislation connected with the implementation and operation of the so-called 'Mining Tax',

including the primary Act, the Minerals Resource Rent Tax Act 2012. It also makes amendments to other legislation required as a result of the repeal of the Mining Tax.

As a consequence of the repeal, a number of measures that were related to the Mining Tax have also been abolished. We covered some of these in [our last newsletter](#) as part of the tax and business related commitments made by the Coalition. The effect of this Bill is that we now have some certainty about the effective dates of these initiatives - although certainty and tax do not often go together! As we publish this edition of our newsletter, rumours are flowing that the Senate will block this Bill. We'll keep you posted.

The repeal of the **company loss-carry back measures** applies for this financial year (2013-14) and beyond. This valuable initiative allowed companies to claim current year tax losses against previous years' profits, effectively providing an immediate tax refund following a loss year. This contrasts with the previous long-standing arrangement (which we now return to) where losses could only be claimed in future years where (if) profits were made. The result is that the loss-carry back provisions will only have been available for one financial year, being 2013.

Proposed changes to the **capital allowances for small businesses** will apply to assets purchased on and after 1st January 2014. These allowances provided an immediate write-off for assets costing less than \$6,500 and an immediate write-off of the first \$5,000 of any motor vehicle purchase. The instant asset write-off threshold will return to \$1,000, while the accelerated motor vehicle deduction will be abolished altogether.

**Note: If you're considering the purchase of equipment or a motor vehicle in the near future, it would be worthwhile bringing your purchase forward to before 31st December if possible. You'll secure a significant tax benefit that likely won't be available after that date. Even if this legislation takes some time to pass, it's probable that the repeal of this measure will be applied retrospectively. Please contact us urgently for more information.**

The next **increase in the Superannuation Guarantee rate** for compulsory super contributions (from 9.25% to 9.5%) will be deferred until 1st July 2016. This means that the ultimate goal of lifting compulsory employer super contributions to 12% won't be realised until 1st July 2021.

The **Low Income Superannuation Contribution** will be abolished for concessional contributions (i.e. those taxed at the lower 15% rate for super) from the financial year beginning 1st July 2013 and beyond, i.e. as of now. This is one announcement that has proven relatively unpopular with the electorate and with various superannuation bodies, because it ultimately means that many low income earners will pay more tax on money that is contributed to super than they would have if it was kept in their own name.

The **Schoolkids Bonus** will cease to be paid as soon as the legislation is passed. It is usually paid in January and July, so the exact timing depends on how soon it receives

assent, but if all goes according to the Government's plan the next instalment, due January 2014, will not be paid.

Two other measures connected with the Mining Tax will also be repealed. The **Geothermal Expenditure Deduction** incentive will not be available from 1st July 2014, and the **Income Support Bonus** will cease to be paid from whenever the legislation is passed.

The new Coalition Government also confirmed recently that a number of other pre-election promises would be implemented. Of most significance for taxpayers is confirmation that Labor's proposed \$2,000 cap on claiming self-education expenses would be scrapped, and that they would not proceed with Labor's plan to tax superannuation fund retirement earnings that exceed \$100,000.

On first glance much of this may seem like a repeat of our previous newsletter. The significant thing to note, however, is that up until recently most of these announcements were nothing more than pre-election promises. The new Government has hit the ground running and it seems as though, on these measures at least, we now have a firm commitment to implementation.



### **Another successful Variety Bash for Car 222**

Dewings are proud to have sponsored [Car 222](#) in the [Variety Bash](#) for a number of years now. Sue Pearce from [Adelaide Expo Hire](#), a long-standing Dewings client, is team captain for 'The Precocious Penguins', who once again won pole position this year by being the highest fundraisers for the event, which supports special needs children in our state. They contributed an incredible \$118,971.89 towards the \$1.75m total raised!



### **Seasons Greetings**

The team at Dewings would like to wish you and your family a merry Christmas and a safe and prosperous New Year.

We thank you for the opportunity to work with you. We know you have a lot of options when selecting who to trust with your tax and business needs, and we're

This year's Bash took place in August and travelled 2,100km through some thirty five private properties, seeing very little bitumen during that time. They started at Two Wells and visited Lucky Bay, Cowell, Lock, Streaky Bay, Hiltaba, Wudinna, Yardea Station, Mt Ive, Oodla Wirra, Burra and Macclesfield before ending up in McLaren Vale.

Highlights included the ferry trip from Wallaroo to Cowell, the seafood fun stops, the surf carnival at Streaky Bay, the Big Fat Greek wedding on a remote station and a magnificent fireworks display at the reception at Wudinna. According to the Penguins though, the real highlight was presenting grants to the children during the journey.

Congratulations to Sue and The Precocious Penguins on another successful Bash, and well done on all your hard work for such a worthy cause.

grateful that you have chosen us to work with you. We look forward to continuing the journey with you in the coming months and years.

### **Office hours**

As is our custom, we will be closing the office for the period between Christmas and New Year's. This year that means **our office will be closed from 1:00pm on Friday, 20th December and will reopen on Monday 6th January 2014.**

During this time you can still call the office and leave a voicemail, and we'll arrange for someone to return your call as soon as possible. Or feel free to send us an email or fax, which we'll be checking regularly. In addition, you can leave any documents for us in the locked drop box on the western wall next to reception.

---

*Liability limited by a scheme approved under Professional Standards Legislation.*

*For further advice or information please contact us. Whilst this newsletter is issued as a guide, no responsibility is accepted by Dewings for loss by any person acting or refraining from acting on the material provided. The information enclosed should not be substituted for professional advice.*

*Copyright © 2013 Dewings, All rights reserved.*

[unsubscribe from this list](#) | [update subscription preferences](#)