



## Welcome to our Summer 2025 Newsletter

### Meet Emma Skehan



**How long have you worked for Moggs Accounting + Advisory?**

Nearly 13 years

**What is your position at Moggs Accounting + Advisory?**

Team Leader

**How did you first get into accounting?**

I see myself as lucky that I discovered that I liked accounting at school and decided it was what I wanted to pursue as my career. I did work experience at a local accounting firm during school and then went to university to study accounting. After I graduated, I got a job here at Moggs and returned to Cobram.

**If you were not an Accountant, what career would you choose?**

I think if I wasn't an accountant I would be a teacher.

**How has Accounting changed since you started in the field?**

Whilst I was never an accountant before computers, the biggest change is still the ever-evolving changes in technology.

**What do you enjoy doing outside of work to unwind?**

Outside of work I enjoy playing netball at Katamatite, reading and you will find me at a Parkrun most Saturday mornings.

**What is one lesson your career has taught you about money?**

Being an accountant has made budgeting second nature—I've learned to plan, track, and make intentional choices with money.

**Do you have a “work philosophy” or “motto” that guides you?**

**If yes, what is it?**

My motto is to always be approachable, friendly and kind.

 **Meet The Team**

 **Proposed Extension of the instant Asset write off**

 **Dental Expenses are private expense**

 **Rental Income and deduction**

 **Christmas Parties and Gifts**

 **New Legislation on Payday Super**

 **Building our cyber safe culture**

 **Office Closures**



# Proposed Extension of the Instant Asset Write-Off and Other Tax Measures

**A new Bill before Parliament** – The Treasury Laws Amendment (Strengthening Financial Systems and Other Measures) Bill 2025 – proposes several key changes that could affect small businesses, listed companies, and the not-for-profit sector. The headline measure is the proposed extension of the \$20,000 instant asset write-off for another year, to 30<sup>th</sup> of June 2026.

## Small Business Boost: \$20,000 Instant Asset Write-Off Extended

If the Bill passes, small businesses with an aggregated annual turnover of less than \$10 million will continue to be able to immediately deduct the full cost of eligible assets costing under \$20,000 (excluding GST) through to the 30<sup>th</sup> of June 2026.

The threshold applies per asset, meaning multiple purchases can qualify if each individual item is under the limit. To claim the deduction, the asset must be first used or installed ready for use by the new deadline.

This measure remains one of the simplest and most practical tax incentives available to small businesses. It provides a direct cash-flow benefit by allowing the full deduction in the year of purchase instead of spreading depreciation over several years, as long as the taxpayer would actually have a tax bill for that year. For example, a tradesperson upgrading tools, or a café purchasing a new fridge or coffee machine, can immediately claim the full deduction – freeing up cash for reinvestment elsewhere in the business.

While the proposal still needs to pass Parliament, now is the time to plan. If you are considering new equipment or technology upgrades, budgeting early ensures assets can be delivered and installed before the cut-off date once the law is enacted.

## **Strengthened Corporate Disclosure**



The Bill also proposes tighter disclosure rules for listed companies. Changes to the Corporations Act 2001 would require the disclosure of equity derivative interests – such as options, swaps, and short positions – under the substantial holding regime. These reforms are designed to improve market transparency and make it harder for significant shareholdings or control interests to remain hidden.

For listed entities, this will increase compliance obligations and may require updates to internal monitoring and reporting systems. Investors with substantial positions in listed companies should also review their current arrangements to ensure future compliance.

## Dental Expenses are Private expenses

We're seeing a number of deduction claims for dental expenses this tax time.

Dental expenses, including preventative and necessary dental treatment, medical expenses, and other costs relating to your personal appearance, like teeth whitening, makeup, skin care, shaving products, and haircuts are not deductible. These are private expenses.

This is the case even if an employer expects you to maintain a certain appearance or pays them an allowance to cover grooming expenses.

You can only claim an expense that directly relates to earning their income. If there's no direct connection, you should not claim a deduction. Private expenses can't be claimed as a deduction.

## Christmas Parties and Gifts

If your business holds a Christmas party:

- On a working day, on a business premises, and only for current employees, you don't have to pay fringe benefits (FBT) for food and drinks.
- Off your business premises, or the party includes associates of employees (such as partners), you don't have to pay FBT if the party is a minor benefit. The cost for each person is less than \$300 and it would be unreasonable to treat it as a fringe benefit. This includes clients, you don't pay FBT for the costs relating to clients.
- If you give your employees a Christmas gift, you don't pay FBT if the value is less than \$300 per person. It would be considered unreasonable to treat as a fringe benefit. If the Christmas party is subject to FBT, you can't claim income tax deductions for the cost of the party.

Examples for Christmas party on business premises is on the next page.



# Christmas parties

## Example: Christmas party on business premises

A company holds a Christmas lunch on its business premises on a working day.

- Employees, their partners and clients attend.
- The company provides food and drink, and taxi travel home.
- The cost per head is \$125.

### Entertainment is being provided

A party for employees, associates and clients is entertainment, because the purpose of the function is for the people attending to enjoy themselves.

### Employees – no FBT, exemption applies

The employer doesn't pay FBT for the:

- food and drink for employees, because it is provided and consumed on a working day on the business premises
- taxi travel, because there is a specific FBT exemption for taxi travel directly to or from the workplace.

### Associates – no FBT, exemption applies

The employer doesn't pay FBT for the food, drink and taxi travel provided to the employees' partners (associates), because it is a minor benefit – that is, it has a value of less than \$300 and it would be unreasonable to treat it as a fringe benefit.

### Clients – no FBT

There is no FBT on benefits provided to clients.

### Income tax and GST credits

The employer can't claim an income tax deduction or GST credits for the food, drink or taxi travel provided for employees, associates or clients.



# Rental property Income & Deduction

Income and tax deductions from rental properties is one of the four key areas the Australian Taxation Office (ATO) is focusing on this tax time. It's an area that's easy to get wrong, and needs extra care when lodging. The ATO Random Enquiry Program has found that nine out of ten tax returns that reported rental income and deductions contain at least one error, even though most of those property owners were assisted by a registered tax agent.

The ATO is therefore urging rental property owners to ensure they carefully review their records before declaring income or claiming deductions this tax time, and for registered tax agents to ask a few extra questions of their clients. Assistant Commissioner Tim Loh explained "Registered tax agents can only work with the information they gather from their clients, and we know some clients won't know everything they need to tell their agent. We don't expect agents to be Sherlock Holmes, but we do expect them to ask the right questions to ensure their client's return is right."

Mr Loh said that rental property owners are urged to ensure they know what income they need to declare and what can be claimed as a deduction. "We are concerned about mistakes, and in particular, leaving out income or deliberate over-claiming of rental property deductions this year." "Getting it right the first time, will ensure you receive the tax refund you are owed, and avoids us knocking on your front door down the track."

## **Include all rental income**

The ATO receives rental income data from a range of sources including sharing economy platforms, rental bond authorities, property management software providers, and state and territory revenue and land title authorities. The amount of data the ATO access grows each year, making it easier and faster for them to spot any rental income that you have charged your tenants, but haven't declared.

When preparing tax returns, make sure all rental income is included, such as from short-term rental arrangements, renting part of a home, and other rental-related income like insurance payouts and rental bond money retained. Income and deductions must be in line with a rental property owner's ownership interest, which should generally mirror the legal documents.



# Building our cyber safe culture



Act Now.  
Stay Secure.

Cyber Security Awareness Month, a time to talk cyber with your family, friends and colleagues and take action to build a cyber safe culture. The theme for Cyber Security Awareness Month is Building our cyber safe culture.

## Take simple actions to safeguard yourself online:

- Install all software updates to keep your devices secure
- Use a unique and strong passphrase on every account
- Always set up multi-factor authentication (MFA) Cyber Security

Awareness Month is an annual reminder to take action to secure your devices and accounts from cyber threats.

Protecting yourself online doesn't have to be hard. There are simple actions that you, your family, friends and colleagues can take to improve your cyber security. Make cyber security an everyday habit. Just like buckling your seatbelt or locking your front door, cyber safe behaviours protect your accounts and devices.

Get advice and guidance to help you take action to improve your cyber security at <https://www.actnowstaysecure.gov.au/>



**Building our cyber safe culture**

Make cyber security an everyday habit. Just like buckling your seatbelt or locking your front door, cyber safe behaviours protect your accounts and devices.

Cyber Security Awareness Month



# New Legislation on Payday Super

The “payday super” legislation, now passed by Parliament, significantly changes how superannuation will be paid. From the 1<sup>st</sup> of July 2026, employers must pay their employees’ super contributions within seven business days of payday, replacing the quarterly system. The reforms strengthen the superannuation system by helping the ATO to enforce the law and identify employers not making contributions, while benefiting employees through more frequent contributions that will grow and compound over their working life.

## **What does this mean for employers?**

As an employer, if you haven’t started reviewing your technology and processes in anticipation of the new changes, now is the time to start. Implementing the changes will take time, and it’s not just your internal software or technology infrastructure that will need to be upgraded – software providers, payment intermediaries and super funds will all face challenges. The best thing you can do is to be prepared, so you’ll be ready to make your employee super contributions on time and remain compliant with your obligations.

You need to take the following into consideration while you make plans for transitioning to payday super: payment timeframes, your employee super contributions need to reach your employees’ super funds within seven business days of their payday, whether you pay weekly, fortnightly or monthly; new terminology, “ordinary time earnings base” will become “qualifying earnings” (QE), and will be used to calculate super contributions and shortfall charges and extended timeframes.

These apply in specific circumstances – for example, you’ll have 20 business days to make contributions for new employees, or for existing employees who switch their super fund.

## Closure of the Small Business Superannuation Clearing House.

The SBSCH is due to close on 1 July 2026, so you need to make arrangements to transition to suitable payroll software if you currently use the service.

Ensure you understand how the new penalties and charges will apply if you have a contribution shortfall, and understand the ATO’s approach to compliance in the first year of operation of the new regime.

## What happens next?

For employers, planning ahead to implement the new changes will save you from compliance issues from the 1<sup>st</sup> of July 2026. Make sure your technology and processes are ready for more frequent super payments and seek out alternatives for the SBSCH if you formerly used it. The ATO or your financial or tax advisers can help you if you need more information on how to proceed.

For employees, keep an eye out for information from your employer and super fund, or visit the ATO website to learn more about the changes. Get into the habit of checking your pay slips and your super fund to verify that your contributions are being paid on time.

Regulations supporting the payday legislation are yet to be released and could also have an impact on employers' planning, so stay informed and aware of any potential changes in the months ahead.

## Office Closures

Albury Office will be closed from 11:00am, Shepparton offices will be closed from 11:00am, Finley office will be closed from 11:00am and Cobram office will be closed from 12:00pm on **Friday the 19<sup>th</sup> of December 2025** and will **re-open on Monday the 5<sup>th</sup> of January 2026**.



We would like to wish our clients and their families a Merry Christmas and a safe and prosperous New Year.



The material and contents provided in this publication are informative in nature only. It is not intended to be advice and you should not act specifically on the basis of this information alone. Moggs Accounting + Advisory Pty Ltd respects your privacy.

If you do not wish to receive any further mail from us, please feel free to contact us on (03) 5872 1955. For more information about Moggs Accounting + Advisory Pty Ltd.'s privacy policy, please refer to [www.moggsadvisory.com.au](http://www.moggsadvisory.com.au)

Limited Liability by scheme approved under Professional Standards Legislation