



WWW.ROGERSONKENNY.COM.AU

Tax Compliance Update

ATO benchmarking small business

The ATO's new benchmarking process (which sets out average income and other benchmarks for 100 industries) means that, for small businesses, the detail and the quality of taxpayers' record-keeping is about to take the spotlight.

The message from the ATO is clear: keep good records and the taxpayer has nothing to fear.

Fail to keep good records and the onus will be on the taxpayer to prove the ATO wrong, if and when they apply the benchmark and issue a default assessment.

What the ATO has to say

The ATO says that in dealing with the cash economy it isn't their intention to issue arbitrary default assessments, and that there is a robust process they follow in relation to benchmarking audits.

The ATO has every intention of ensuring that taxpayers who report figures that do not line up with the benchmarks become aware that their record keeping is the only thing that will keep them safe from having the benchmarks applied.

There may be other compelling reasons, such as sickness or extended breaks from work which the ATO will take into account, but the bottom line is being able to prove the income and expenses that are reported. If not, the benchmarks **will** be applied.

Tax Office warns of cheque scam

The Tax Office has warned taxpayers to be aware of counterfeit ATO cheques supposedly issued by the ATO and drawn on the Reserve Bank of Australia.

"The counterfeit cheques are realistic in look and feel authentic; only after being put through a fluorescent scanner are they revealed to be fakes," the Tax Commissioner said.

The counterfeit cheques are often being sent from overseas as advance payment for accommodation, quite often around or near universities.

The cheques are made out for a few thousand dollars more than the asking rent, and there is an accompanying letter requesting the balance of the overpayment be returned to the sender via Western Union transfer.

If taxpayers are contacted by someone claiming to be from the government or a financial institution, they should verify who they are by independently finding their contact details and contacting them directly.

"ACCOUNTANTS
YOU CAN TALK
TO..."

ADDRESS:
SUITE 13,
241 BLACKBURN ROAD
MOUNT WAVERLEY, VIC

CORRESPONDENCE:
PO Box 323
MOUNT WAVERLEY VIC 3149

T (03) 9802 2533
F (03) 9802 0590

MAIL@ROGERSONKENNY.COM.AU
WWW.ROGERSONKENNY.COM.AU