



How Do I Lodge My Business Activity Statement?

There's no doubt that tax can be complicated as well as a constant hassle. Your Business Activity Statement (BAS) is a form you need to fill out and send to the Australian Taxation Office ATO which registers your payable Goods and Services Tax (GST), Pay-As-You-Go (PAYG) instalments, PAYG withholding tax and other tax obligations. If your business has an ABN and is registered for GST, the ATO will automatically send you a BAS via post or email when it's time to lodge.

It's issued monthly or quarterly depending on your selection when registering for GST or your level of earnings and will have a final date for submission. The ATO is extremely strict with lodgement dates and supplying incorrect figures could end you up in hot water.

Good and Services Tax (GST)

Goods and Services Tax (GST) is charged on goods and services and is included in the final price most people pay. GST is calculated at 10% and is collected by businesses that have registered voluntarily for GST if their business turnover is less than \$75,000; or if they have a turnover over \$75,000 they are required to be registered for GST in Australia. You must record and pay the GST your business has collected on your BAS. You can also claim back GST credits on your expenses.

Pay-As-You-Go (PAYG) instalments

You or your business will need to record and pay PAYG instalments after your first tax return is lodged which includes a profit. Any PAYG instalments charged to a BAS will be credited towards your end of year income tax liability.

Pay-As-You-Go (PAYG) withholding

If your business pays wages to employees then you will be required to register for PAYG withholding. You will need an ABN to register for PAYG withholding. The amount of tax withheld from the wages of your employees will need to be shown along with the gross wages on your activity statement either monthly or quarterly depending on the amount of withholding you are required to pay.

Fringe Benefits tax (FBT)

Fringe Benefits Tax (FBT) is a tax payable by employers for benefits paid to an employee (or an employee's associate e.g. a family member) in place of salary or wages. This is separate to income tax and is calculated on the taxable value of fringe benefits provided.

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Luxury Car Tax (LCT)

Luxury car tax (LCT) is a tax on cars with a GST-inclusive value above the LCT threshold and applies to all supplies and imports of these luxury cars. LCT is imposed at the rate of 33% on the amount above the luxury car threshold. LCT is paid by businesses that sell or import luxury cars (dealers), and also by individuals who import luxury cars.

Wine Equalisation Tax (WET)

The WET only applies to wine manufacturers, wholesalers and importers, and is a tax based on the value of wine. It is currently levied at 29% of the taxable value of wine.

Fuel Tax Credits

Fuel Tax Credits provide businesses with a credit for the fuel tax (excise or customs duty) that's included in the price of fuel used in machinery, plant & equipment, heavy vehicles used on public roads, and light vehicles travelling off public roads or on private roads for business purposes.

How often do I need to lodge my BAS?

Even if you have nothing to report, if you are registered for BAS you will still need to lodge your form with Nil amounts included.

If you are voluntarily registered for GST and your GST turnover is under \$75,000 (\$150,000 for not-for-profit bodies) then you have the option to lodge a BAS annually by 31 October each year.

If your business earns less than \$20 million, you will be required to lodge your BAS quarterly.

Deadlines:

- Quarter 1 (July-September) BAS is due on 28 October.
- Quarter 2 (October-December) is due on 28 February.
- Quarter 3 (January-March) is due on 28 April.
- Quarter 4 (April-June) is due on 28 July.

If your business earns over \$20 million, your BAS will need to be lodged on a monthly basis. Your BAS will need to be lodged within 21 days of the month closing

How do I lodge my BAS?

You can lodge your BAS statement online through your myGov account, through the ATO's online business portal or through a registered BAS agent. Many Australian businesses have an accountant or bookkeeper who can take care of your BAS and tax obligations.

They will make sure the information is correct and accurate and will also help lower your tax bill, improve business profitability, keep your BAS hassle free and lower your workload.

Are there fines if I don't pay my BAS?

If you don't submit your BAS on time you may incur a failure to lodge (FTL) penalty. Fines can climb higher if you continually lodge your BAS late. For every 28 day period, you may be charged \$210, however you cannot incur charges of more than \$1,050.

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