



How to Afford the Boxing Day Sales

Everyone loves a bargain, and the boxing day sales are notorious for savvy buyers to snatch a great price. Although you might think you're making a great saving because of the discount, the costs could be more than you might be aware of. Many might find themselves falling back into debt because of too much temptation mixed with a maxed out Christmas budget.

So, how can you afford the Boxing Day Sales?

An important thing to consider is not to overspend, which can happen if you arrive at the shops without a budget or a plan in mind.

Plan Your Purchases

Planning what you need, like and want and a little research on their normal recommended retail price will quickly allow you to make a good decision. Shopping after a little bit of research will go a long way to ensure that you're snapping a bargain on items that you genuinely want and need and help minimise the risk of overspending. Often the deals aren't available before the day, so researching their normal retail price should be an easy enough task. A good idea is to also research which shops sell the goods you're after. If multiple shops stock the same product, a quick window shop on the day should show you who is selling the cheapest.

Remember: Buy what you need first. Don't buy because it is a bargain, otherwise it'll be a waste of money and become background clutter in your home. If it's going to gather dust, it's best to leave to for another shopper. Saving money is good, but if it's going to be landfill, you're going to waste your money.

Jump Online First

Even though Black Friday, Cyber Monday and Pre-Christmas sales have come and gone – purchasing from a brick and mortar store might still reveal less of a bargain than shopping online. If your goods are only to be found in physical shops, an online search will save you steps and shopper competition on the day. You'll also hit the shops with competitor pricing information to take advantage of price-matching programs retailers often offer. E-retailers will also offer great boxing day specials. That means you can shop without the foot-ache!

"Shop online – because it's frowned upon to be in a store with no bra, sweatpants and a glass of wine."

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Arrive Early

Sometimes it makes sense to join the crush and the early-bird crowds. Not only will you get a car space, hitting the shops early means that you're more likely to find your bargain if there are in-store stock limits.

Buy Now Pay Later

The buy-now-pay-later schemes are a dream on Boxing Day – just not necessarily for you. You get your bargain and your bank account doesn't suffer – until later. There is a real risk of overspending and the real risk of not being able to pay your bills when they roll in. In a recent survey conducted by Mozo on After pay, 30% of people surveyed about using After pay missed at least one payment. Multiply that across several items, and not only do the bills stack up, but the bargain you thought you got will end up costing you more in the long run.

It's a good idea to use the cash or a debit card using money that you can afford. If you do use a credit card, make sure you'll be able to pay it off before the due date so you do not incur any interest.

Track Your Spending

There's no doubt there's a buzz on the shops on Boxing Day and it's very easy to become caught up in the spending. Before you overspend, it's a good idea to keep a tally of what you bought and how much you're spending on the day. A no cost budgeting app, or your bank app, can quickly show you your total before you buy, so you'll know if you can afford to purchase or call it a day. Your spending decisions, no matter how small, all add up.

Keep Your Receipts

So you've shopped til you drop and had a great fun day, however the next day you suffer from a Boxing Day hangover. It's a real thing and very easy to do. After a little consideration, and a dose of cold water, you might discover that you really didn't want your purchase. If you have your receipts, you can trek back to the store and return them. Make sure before you purchase that the store does offer refunds, or you might be stuck with a store credit you have no wish to use. It's always best to double check the store returns policy on discounted stock before you buy.

Pro Tax Tip: Even if you've bought an item on sale, if you use it directly for your job not only have you bought a bargain, you can also claim it on your tax if you have your receipts. That's a double whammy bargain!

Boxing day bargains that might be claimable on your tax, include laptops, printers, hard drives, monitors, smart phones, camera, and furniture for your home office, as well as self-education expenses, magazines, subscriptions and software. Clothes, shoes, socks and undies are not claimable items, even though they may be a great bargain price on the day. The ATO considers those expenses to be personal – even if you wear your jocks to work.

Pro Tax Tip: Still be careful. Tax deductions lower your overall income, but do not necessarily mean a dollar for dollar reimbursement. Before any large purchases consult your tax agent who will advise if the item you want to buy is the bargain you truly think it is and only on the percentage of the business use. You might still be out of pocket for your items.

For items that cost \$300 or less, you'll be able to claim the full amount as an immediate deduction, however larger priced items may need to be depreciated over its working life. For example, computers have a life of four years according to the ATO.

Key Questions

Answer these key questions before you purchase:

- Is this something I planned to purchase?
- Do I really need this product or good?
- How much can I really afford to spend?

Stay firm: Always be prepared to walk away from a bargain if it doesn't match your budget. If you can't afford it, it really isn't a bargain. There are many sales throughout the year, and you might be better off waiting until you've paid off debts that are a little more urgent.

"I bought it on sale therefore I made money is not a real thing"

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