

NOVEMBER 2017 TAX UPDATE

ANNOUNCEMENTS

- Tax Office to visit cash-only businesses in black economy crackdown
- Large corporate group tax gap information
- Board of Tax Update
- Almost 300,000 small businesses claim instant asset write-off
- Most trusts being used appropriately
- Commissioner's Annual Report 2016-17 released
- Govt response to Committee recommendations on 2015 and 2016 ATO annual reports

RULINGS & GUIDELINES

- Lower corporate tax rate: draft ATO guidance on carrying on business requirement - Draft Taxation Ruling TR 2017/D7
- Tax treatment of long-term construction contracts - Draft Taxation Ruling TR 2017/D8
- Inspector-General of Taxation 2016-17 annual report released

LEGISLATION

- Qualifying for lower corporate tax rate: new passive income test – Bill introduced
- GST on new residential property to be remitted by purchaser - draft legislation released
- Black economy measures: extending tax reporting to cleaning and couriers - draft legislation released

CASES

- Superannuation binding death benefit nomination upheld - Cantor Management Services P/L & Ors v Booth
- Taxpayer beneficiary assessable under “default clause argument” on property profit - Moignard and FCT [2017] AATA 1661
- Deductions denied for work-related expenses; 50% penalty upheld - Watts and FCT [2017] AATA 2030
- Family Court can order substitution of spouse as tax debtor - Tomaras & Tomaras and FCT
- Appeals update: Thomas (Franking credit streaming); Carioti (Capital loss deduction)