tcixcpcl

MARCH 2018 TAX UPDATE

ANNOUNCEMENTS

- Reporting cash payments: more business visits soon
- Innovation report recommends R&D tax changes
- 2017 Tax Expenditures Statement
- APRA announces its policy priorities for 2018
- Corporate tax avoidance: ATO to review \$78bn in thin cap revaluations
- ATO statement on large company tax compliance program "as good as anywhere"
- Tax treatment of bare trusts: Board of Taxation makes 8 recommendations
- Govt response to committee inquiry into tax deductibility WRE and company deductions
- Brave new world ATO e-Audits
- Trust vesting ATO admin approach consultation deadline extended
- focus on work-related expenses this year
- CPI: December quarter 2017 indexation factor for FBT purposes
- GIC and SIC rates for 4th quarter of 2017-18
- Superannuation rates and thresholds for 2018-19
- key problem areas for SMSF auditors
- SMSF auditor disqualified by ASIC for auditing own fund
- Super assets total \$2.6 trillion at December 2017; \$721bn in SMSFs

RULINGS

- Shares acquired on limited risk basis around ex-dividend dates: ATO concerns re imputation benefits Taxpayer Alert TA 2018/1
- Record-keeping requirements: electronic records Taxation Ruling TR 2018/2

LEGISLATION

- Draft Legislation:
 - CGT small business concessions: restricted to assets used in business Reversionary super TRIS to automatically transfer upon death ATO admin of early release of super benefits
- Bills Introduced:
 - Venture capital tax concessions and FinTech: Treasury Bill (No 2) 2018 Black economy measures
- Bills Passed:
 - GST on new residential premises Bill passes Reps
 - CGT changes for foreign residents; extra CGT discount: Bill passes Reps
- Other legislation update: company tax cuts, etc
- Reporting superannuation member account info Draft instrument released

tcixcpc

CASES

- Expenditure on gaming machine entitlements deductible taxpayer wins appeal -Sharpcan Pty Ltd and FCT [2017] AATA 2948
- Commonwealth grant to establish windfarm assessable income Denmark Community
 Windfarm Ltd v FCT
- High Court rules against recovery of forfeited property Commissioner of the Australian Federal Police v Hart; Commonwealth of Australia v Yak 3 Investments Pty Ltd; Commonwealth of Australia v Flying Fighters Pty Ltd
- DFAT employee's overseas earnings exempt Coventry and FCT [2018] AATA 175
- Court finds PAYG amounts "withheld" from salary or wages Cassaniti v FCT
- DPO against bankrupt taxpayer set aside Walsh and FCT [2018] AATA 235
- Receipts from controlled companies were assessable income, not loans taxpayer loses appeal Rowntree v FCT
- Damages of \$2.9m awarded against financial planner for tax advice "outside her area of expertise" Lockyer v Bermingham [No 3]
- Tax agent's registration terminated Peterson and Tax Practitioners Board [2018] AATA 93
- Additional super guarantee contributions required AWU v BlueScope Steel (AIS) Pty Ltd
- SMSF trustee replaced by Court in death benefit dispute Ainsworth v Davern
- Appeals update: Aussiegolfa Pty Ltd (SMSF); Doutch (CGT small business concessions); Tamarama Fresh Juices Australia Pty Ltd (subpoena re documents); Placer Dome Inc (WA stamp duty) Appeals update: Hacon Pty Ltd (private ruling on Pt IVA)

Copyright 2018 \odot Tax CPD. All rights reserved. ABN 98 006 144 449.

DISCLAIMER: This document was prepared by Tax CPD and is subject to copyright. No part thereof may be reproduced by any process without direct written permission. This document contains general information only. Before making any decision or taking any action that may affect you, you should consult a professional and do your own research. No warranty is given to the correctness of the information contained in this document or its suitability for use by you. To the fullest extent permitted by law, no liability is accepted by Tax CPD for any statement or opinion, for an error or omission or for any loss whatsoever sustained by any person who relies on any material in this document. Tax CPD reserves the right to amend any details at any time.