

JULY 2017

TAX ALERT: ATO ANNOUNCEMENT FOR “SIMPLER BAS” REPORTING

ATO Announcement

The ATO has recently announced changes to the GST reporting requirements for small businesses, called the “Simpler BAS”. This is a proposed partnership between the ATO, software developers, tax professionals and small business associations.

From 1 July 2017, small businesses will have less GST information to report on their BAS, with the only GST information required being limited to:

- G1 Total sales
- 1A GST on sales
- 1B GST on purchases
- 1H GST instalments (for your instalment clients).

The following GST information will no longer be required:

- G2 Export sales
- G3 GST-free sales
- G10 Capital purchases
- G11 Non-capital purchases

Eligibility

If your annual GST turnover is less than \$10 million, you will be transitioned to Simpler BAS reporting from 1 July 2017. However, if your estimated annual GST turnover is \$10 million or more, you will be required to use the full reporting method.

Simpler BAS will not affect how other taxes are reported (eg PAYG income tax instalments or PAYG tax withheld). The GST cycle that you report on (monthly, quarterly or annually) will not be affected by Simpler BAS. If you currently report annually, you will continue to report annually after 1 July 2017.

You will still need to maintain your records, such as invoices, as proof of any claims you make in your BAS and income tax return lodgements.

Please do not hesitate to contact your Lowe Lippmann Relationship Partner if you wish to discuss any of these matters further.



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