

# NEWSLETTER

*September 2000*

For those of you getting ready to lodge your Business Activity Statement (BAS) or Instalment Activity Statement (IAS) you should already be putting steps in place to have your bookwork ready. This is definitely not a case of 'It'll be alright on the night'.

Your first BAS/IAS will not be easy for most of you, regardless of what the Tax Office propaganda machine has to say.

There is a very strong likelihood that you will make errors in your first BAS/IAS. We anticipate that the bulk of our clients will require our assistance in the preparation of the first BAS/IAS in order to reduce the chance of error. You will notice that we did not say eliminate error. It is likely that any BAS/IAS that we prepare may also contain errors. This is an unfortunate reality. Errors will occur due to the complexity of the legislation, the late release of vital information from the Tax Office and the likelihood that the records that you currently hold will not satisfy Tax Office requirements.

In order for us to complete your BAS/IAS within the time allowed we would require all necessary records within the first week of October.

Partners in partnerships are likely to need assistance with the correct use of your Instalment Rate. The attached worksheet should be of some assistance. If you are a partner in a GST registered partnership you MUST each lodge a quarterly IAS in addition to the partnership BAS.

All other clients whose annual tax bill is less than \$8000 MAY be able to avoid a quarterly IAS. You should talk to us if you have not already done so.

We are very much aware that this is a confusing time for most of our business clients. The decision or need to lodge documents monthly, quarterly or annually will take some thought and hopefully be discussed with us. This is made even more confusing when some of you will have monthly and quarterly obligations. Once the confusion settles and we get into a routine, life will get easier. Or so we have been told.

There are three things we are sure of, the Australian Taxation Office thinks they are doing a great job, the Prime Minister thinks there has been a smooth transition to the New Tax System and pigs can fly.

We look forward to hearing from you. Good luck with the paper work.

*Bruce & Neryl Graham*