

### Your Partner In Business

Welcome to the February 2012 edition of the CPD Accountants newsletter.

### THE PPSR – ARE YOU READY?

The Personal Property Securities Register (PPSR), which came into effect on 30 January 2012, is a single point of contact register for consumers, businesses and the finance industry. It replaces over 70 pieces of legislation, bringing various Commonwealth, State and Territory laws and registers under one national system.

#### What is the PPSR and how does it affect you and your business?

- If you purchase a motor vehicle, you can search the register to find out if the property is free of a security interest (eg. finance loan).
- If you lease or hire out equipment or other assets to other entities – regardless of whether they are related or independent clients – you will need to register your interest in those assets in case the lessee goes into liquidation or bankruptcy.
- If you rely on Retention of Title clauses on your invoices and debtor applications when selling items on credit or on consignment, you will need to register your legal interest until the goods are paid for by the debtor.

- If you want to find out what charges have been applied against your equipment, once you register you can check to see whether the charge has been removed by the finance company in the instance where a lease or hire purchase or Chattel Mortgage is paid out

Use of the PPS Register is voluntary, however if you don't register any significant assets that you hire out to other entities, you run the risk of possibly losing those assets in the event that the hirer becomes insolvent, regardless of whether or not you can show the original tax invoice.

For further information on the PPSR, the following websites may be useful:

<http://www.ppsr.gov.au> and  
<http://www.ppsrcheck.com.au>

For advice on how the PPSR may affect you or your business, please contact your CPD Accountants Business Services Manager on +61 7 3245 9966.

### ATO FOCUS ON PSI AND ABNs

The ATO has announced that it will focus its attention on detecting, deterring and dealing with non-compliance by taxpayers who claim to be independent contractors by reviewing:

- taxpayers who have reported personal services income (PSI) and who may have incorrectly self-assessed themselves as conducting a personal services business (PSB); and
- data held in the Australian Business Register (ABR), and cancelling any Australian Business Numbers (ABNs) where records indicate that taxpayers are not carrying on an enterprise. There will be a focus on sole traders as they make up nearly half of the records on the register.



If there are any topics you are specifically interested in reading about, please contact us on [newsletter@cpdaccountants.com.au](mailto:newsletter@cpdaccountants.com.au) and we will do our best to include these topics in future issues.

**Please Note:** Many of the comments in this publication are general in nature and anyone intending to apply the information to practical circumstances should seek professional advice to independently verify their interpretation and the information's applicability to their particular circumstances.

## ATO DATA MATCHING PROGRAMS

In recent months, the ATO has released details of a number of data matching programs. Data will be collected electronically to identify and address non-compliance with a variety of taxation obligations by individuals and businesses.

Among others, the ATO's data matching programs include:

- Dependent Spouse Tax Offset Data Matching Project (collecting names, addresses and other related information of approximately 1.3 million taxpayers from Centrelink);
- Legal Profession Data Matching Project;
- Department of Immigration and Citizenship (DIAC)/ATO Temporary Visa Data Matching Project;
- WorkCover Data Matching Project (collecting names and addresses of entities from the WorkCover Authorities for each of the States and Territories for the 2010 financial year);
- Pleasurecraft Data Matching Project (collecting about 110,000 insurance records from marine insurance companies);
- Motor Vehicle Data Matching Program (collecting details from motor vehicle registries of individuals or businesses that have purchased or acquired a vehicle valued at \$10,000 or greater in the 2011 financial year); and
- Credit and Debit Card Data Matching Program (collecting data relating to credit and debit card sales of approximately 400,000 entities within various industries for the 2011 financial year from banks and credit card companies).

The ATO will request and electronically collect names, addresses and other details of individuals and entities to identify potential cases of taxation fraud, including incorrect payment of personal financial assistance, under reporting of personal income, and instances where businesses may be 'skimming' their cash takings and in other ways not reporting all of their income.

## CHILD IMMUNISATION TAX INCENTIVES

The government has announced plans to introduce tax incentives with a view to increasing the immunisation rates of children in Australia. Reports indicate that 8 to 11 percent of one to five year olds are currently not being immunised in Australia – an issue which the government plans to combat with the introduction of the new incentives.

From 1 July 2012, families will need to have their children fully immunised in order to receive the Family Tax Benefit Part A end-of-year supplement.

The supplement is worth \$726 per child each year and will be paid once a child has been immunised at one, two and five years of age.

This means that over the three immunisation check points of one, two and five years of age, families will now receive more than \$2,100 incentive to ensure their children are fully immunised.

This incentive will replace the Maternity Immunisation Allowance.



### QUOTE OF THE MONTH

**Dream big dreams, then put on your overalls and go out and make the dreams come true.**

***Fred Van Amburgh***

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