



End of Year Tax Saving tips:

1. Access this immediate deduction

Eligible small business owners can immediately deduct the business portion of most assets if they cost less than \$20,000. This instant write-off provision can be used for each asset that costs less than \$20,000, whether new or second hand, providing a much-needed shot in the arm for many.

2. Scan all your invoices

Keep track of receipts by implementing an invoice scanning app such as Squirrel Street, Xero or other online softwares to ensure every single deduction is captured. This means small businesses can scrap spreadsheets and instead take a photo of the claim to be recorded.

3. Share files

Set up a shared online storage folder like Dropbox, OneDrive etc., to store all bank statements, invoices, deductions and contracts for your accountant.

Carefully name each file and drop these documents into a file that your accountant can easily access and inform them, which can save hours of meetings and emails requesting additional information to do their job.

4. Deduct life insurance

Small business owners can take life insurance under super fund.

5. Review stock and inventory

Set aside time before the end of the financial year to conduct a thorough stock audit to identify damaged or obsolete stock and write it off. Scheduling the time to take an inventory of stock and verifying quantities and the condition of each item will impact the value of the trading stock and profit margins.

6. Hire a bookkeeper

Staying on top of bookkeeping throughout the year is the key to making tax time simpler. The golden rule is that if you can't substantiate it, you can't claim it, so those businesses that aren't organised often lose out on deductions.

7. Upgrade accounting software

One of the biggest game changers for SMEs in the past decade has been the development of cloud-based intelligent software to help businesses manage their financial data, invoicing, HR, payroll and inventory in a one-stop shop. Cloud software is also highly collaborative, which means clients can allow their business advisers and accountants to access and work on business records at the same time.

8. Streamline business operations

Look for tools that enable you to manage a number of core business functions all at once. Some of these can help a small business avoid high administration costs and avoid payment delays.

For example, check out ServiceM8, which is a cloud-based software designed to help field service businesses manage all aspects of their work, from a client's first call through to scheduling, quoting, job management, invoicing and payment. The software also integrates with a number of accounting packages.

9. Embrace lifelong learning

You may be able to claim a deduction for self-education expenses if your study is work-related or if you receive a taxable bonded scholarship.

Self-education expenses are deductible when the course leads to a formal qualification and meets specific conditions. These include improving your skills or knowledge, and can result in an income increase, according to the ATO.

Related expenses such as accommodation and meals if away from home overnight, course fees, fares, internet usage and calls could be claimed, so check with your accountant.

10. Schedule a planning session

With tax time behind you, schedule a time to sit down with your accountant for a planning session.

This gives you the chance to look forward to the coming year and assess the most profitable areas of your small business and make some decisions about key areas to focus on during the year.

Tax saving strategies and look for options to reduce tax and reset to make your business more profitable.