

LATEST UPDATE – June 2010

As foreshadowed last month ASIC fees for many standard lodgements will increase from 1 July 2010. Below we list our new prices for some of our more popular services.

Our team hopes that the year end will not be too stressful for you and reminds you that we are available to assist you during this busy time.

New Prices from 1 July 2010

We set out below our new prices for commonly lodged documents. Should you wish a more comprehensive list of our services and current fees please email your request to admin@corporateexpress.com.au

Internet Company	\$544.00
Full Service Company with binder, tabs & seal	\$786.00
Company Limited by Guarantee	\$786.00
Public Company	\$951.00
Change of Name	\$505.00
Change of Company Status	\$430.00
Name Reservation	\$79.50
Company Deregistration	\$193.50

There are no changes to our secretarial or trust and SMSF establishment prices.

Don't forget that from 1 July 2010 the following annual review and late lodgement fee apply.

Late lodgement fees

Within one month of due date	\$67
After one month of due date	\$278
Registration of charge	\$139

Annual review fees

Proprietary company	\$218
Special purpose company	\$41
Late fees for annual review	
Within one month of due date	\$67
After one month of due date	\$278

***Discretionary Trusts
Things to watch out for***

- Minutes for trust distributions should now be drafted;
- Read the Deed especially the definition of trust income and any streaming clauses;
- The Bamford Decision confirmed that the terms of the trust deed determine the income that can be distributed to the beneficiaries by the trustee and that the proportionate approach applies when distributable income does not equal taxable income;
- Check the vesting date of the Deed. Deeds can be amended to extend the vesting date provided the vesting date has not been reached and the amendment does not breach the rule against perpetuities.

Our Discretionary Deeds are drafted and reviewed by TressCox Lawyers and the terms provide the maximum flexibility in respect of determination of income and streaming.

SMSF Borrowing

Things to watch out for

There are proposed changes to the tax treatment of borrowing arrangements in the form of new sections 67A & 67B which will replace the existing section 67(4A).

At this stage it is proposed that existing arrangements under section 67(4A) will be grandfathered unless there is a refinancing or fundamental change of the borrowing arrangement.

The proposed new borrowing rules provide for:

- The borrowing must be for a single asset;
- The borrowing can be used for acquisition expenses such as legal costs and stamp duty;
- The borrowing can be used to maintain or repair the asset but not improve it;
- The rights of any guarantor against the SMSF must be limited to the acquired asset;
- There are substantial limits in respect of replacing the asset.

It is imperative that stamp duty considerations are made before the asset is acquired. Unfavourable stamp duty consequences can apply when the trust between the fund and the custodian collapses especially in respect of real estate purchased in South Australia and Queensland.

SMSFs – Transfers to new or additional trustees

Effective from 1 July 2010 there is a change to the definition of 'special trustee' in section 54 of the Duties Act. The new definition no longer includes a trustee of a self-managed superannuation fund.

What does this mean for your clients?

Care needs to be taken in circumstances where the new or additional trustee are the members of

the fund and the assets of the fund comprise dutiable property.

We are currently liaising with BinetterVale Lawyers to clarify the position in relation to this amendment and we will publish more information when it is to hand.

Pension Relief from the Drawdown Rules Hot off the Press

The Federal Government has announced today that it will continue to support self-funded retirees by extending the drawdown relief currently provided for account-based superannuation pensions to the 2010-2011 year.

The drawdown relief will continue to in the form of a 50% reduction in the minimum payment amounts for pensions.

The change will require amendments to the SIS Regulations 1994 and the Retirement Savings Accounts Regulations 1997. These amendments will be made as soon as possible in the new financial year.

Our comprehensive Pension Implementation Packages have recently been reviewed by BinetterVale Lawyers and are fully compliant with the current legislation.

Thank you from all of us

We wish to extend our thanks to our loyal clients especially over the past 18 months. It has certainly been a better year for us and we look forward to continuing our partnership with your business into 2011 and beyond.

We hope that 2010 has been a happy and prosperous year for you.

Disclaimer

The information provided in this document is for your general information only. It is not intended that anyone rely upon or adopt this information in respect of their personal circumstances without first seeking professional advice.