

**PRIVATE AND CONFIDENTIAL**

August 2011

We are pleased to supply you with the August 2011 edition of **Client Alert**, which contains information on a number of important taxation developments up to and including 15 July 2011 :

- **Tax Office Announces Compliance Focus Areas** – The ATO has released its compliance program for the 2011–12 financial year.
- **Trust Streaming: Extension To Record Beneficiaries' Entitlements** – The ATO has provided a short administrative reprieve following enactment of trust law changes.
- **Car Fringe Benefit Taxation Changes** – Legislative changes to simplify the method for determining the taxable value of car fringe benefits have been formally implemented.
- **Dependent Spouse Offset Finishes For Under 40s** – Access to the dependent spouse tax offset in respect of a dependent spouse born on or after 1 July 1971 has been restricted.
- **Low Income Taxpayer Offset Ends For Most Minors** – The ability of minors to access the low income tax offset to reduce tax payable on their unearned income has been removed.
- **Building Contractors Face Reporting Proposal** – The Government is proposing a reporting regime for payments made to contractors in the building and construction industry.
- **Unpaid Directors' Fee Schemes And Private Companies On ATO Radar** – Arrangement where a private company claims a deduction for unpaid directors' fees under ATO scrutiny.
- **ATO Reminds Employers Of Superannuation Obligations** – The ATO highlights some common superannuation mistakes made by employers.
- **Tribunal Denies Deduction For Interest On Loans Made To Trust** – The AAT has made a decision concerning claims for interest deductibility involving a discretionary trust.
- **Personal Services Income Rules Applies To Taxpayer** – The AAT has held that the PSI rules applied to a taxpayer.

Please contact us if you wish to discuss how the points raised in **Client Alert** specifically affect you.

Yours sincerely

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