



PRIVATE AND CONFIDENTIAL

February 2009

“CLIENT ALERT” Newsletter

We are pleased to supply you with the February 2009 edition of **MGA's Client Alert**, which contains information on a number of important developments in taxation including:

- **Tax Laws Amendment**
Proposed amendments to the tax laws including changes to the late payment offset for superannuation guarantee contributions.
- **Luxury Car Tax**
Amendments to the Luxury Car Tax (LCT) which clarify the requirements for primary producers and tourism operators to qualify for a partial refund for LCT paid.
- **Investment Allowance**
A 10% temporary investment allowance available to businesses that purchase qualifying depreciating assets.
- **PAYG Instalment Reduction**
A 20% reduction for the December 2008 quarter PAYG instalment for small business entities.
- **Managed Investment Schemes and Deductions**
A test case decision by the Full Federal Court regarding the deductibility of expenses incurred on managed investment schemes.
- **One-off Sale of Land and GST**
The AAT has held that a one-off sale of land was a taxable supply even though the sale was distinguishable from the vendor's core business.
- **FBT and Exempt Benefits**
The Tax Office's view of whether upgrades to portable electronic devices will be exempted from FBT.
- **Deductibility of Compound Interest**
The Tax Office's view on the deductibility of compound interest incurred by taxpayers.
- **Loans to Settle Trust**
The Tax Office's preliminary view on the deductibility of interest incurred on a loan which was used to settle a trust.

- **Trust Cloning Exception**
The Tax Office's administrative treatment following the Government's announcement to abolish the exception.
- **Racehorses and Data Matching**
A data-matching program relating to the sale and ownership of thoroughbred racehorses.
- **Goods Taken for Private Use**
Reasonable amounts the Tax Office will accept as the value of goods taken from trading stock for private use for the 2008/09 income year.
- **GIC and SIC Rates Released**
Interest rates for the third quarter of the 2008/09 income year.

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

Yours sincerely

MARTIN GOODRICH & ASSOCIATES PTY LTD

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