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## PRIVATE AND CONFIDENTIAL

March 2011

We are pleased to supply you with the March 2011 edition of **MGA's Client Alert**, which contains information on a number of important taxation developments up to and including 16 February 2011:

- **Temporary Flood Levy Proposed**

The Prime Minister has proposed a one-year flood levy for individual taxpayers to help raise revenue to fund the reconstruction cost for flood-affected areas of Queensland and elsewhere.

- **Tax Help for Flood Victims**

The Government and Tax Office are offering tax help for taxpayers severely affected by the floods in Queensland and elsewhere.

- **Café Owners' Tax Bill Reduced after Cash Wages Taken into Account**

The Administrative Appeals Tribunal has found amendment assessments issued to taxpayers were excessive as they had failed to take into account deductions for cash wages paid to staff.

- **Same Trust, so Capital Gain Can Be Offset by Earlier Losses**

The Full Federal Court has found a trust could apply capital losses to offset a capital gain made from a property sale.

- **Superannuation Excess Contributions Tax Bill for Breach of Cap**

The Administrative Appeals Tribunal has confirmed a superannuation excess non-concessional contributions tax assessment against a taxpayer for breaching the \$1 million non-concessional contributions cap.

- **Penalty for Late Superannuation Deduction Notice "Harsh"**

The Administrative Appeals Tribunal has remitted an administrative penalty despite finding the taxpayer had failed to lodge a notice of intent to claim a super deduction on time as it would be "harsh".

- **Superannuation Benefit and Payment by Cheque**

The Tax Office has issued a determination regarding the timing of a super benefit payment by cheque or promissory note.

In addition, you'll find an **FBT Return Action Checklist** to assist with meeting FBT compliance obligations for the 2011 FBT year.

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

Yours sincerely

**MARTIN GOODRICH & ASSOCIATES PTY LTD**

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