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## PRIVATE AND CONFIDENTIAL

September 2009

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

- **Loans and In-house Asset Rules**

The AAT has upheld a non-compliance notice issued to an SMSF for breaching the in-house asset rules.

- **Personal Services Income**

The AAT has affirmed that the Personal Services Income provisions applied to attribute company income to a taxpayer who was the sole director, shareholder and employee of the company.

- **Meaning of Contributions**

The Tax Office has issued a Draft Taxation Ruling explaining the Commissioner's preliminary view of the word 'contribution' for superannuation purposes.

- **Deductibility of Interest on Loan to Settle Trust**

The Tax Office has issued a Taxation Determination stating the Commissioner's views on the deductibility of interest incurred on a loan to settle a trust.

- **Interest on Loan to Acquire Options**

The Tax Office says interest on a loan to acquire options is not deductible.

- **Investment Commitment Time**

The Tax Office says a contract option to delay construction of an asset does not defer the investment commitment time for the one-off tax break.

- **Assistance for Small Businesses**

The Tax Office has introduced two new measures to assist small businesses in managing their tax payment obligations.

- **PAYG Withholding and Foreign Employment Income**

An Instrument has been registered ensuring employers withhold the correct PAYG amounts from their overseas-based employees.

- **Tax Returns Not Required for New SMSFs**

The Tax Office do not require newly registered SMSFs to lodge a tax return in their first year of registration.

**Martin Goodrich & Associates Pty Ltd**

- 2 -

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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