

**PRIVATE AND CONFIDENTIAL**

September 2011

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Dear

We are pleased to supply you with the September 2011 edition of **Client Alert**, which contains information on a number of important taxation developments up to and including 12 August 2011 :

- **Carbon Tax To Commence On 1 July 2012** – The Prime Minister has announced details of the Government's plans to put a price on carbon.
- **Government Set On Countering Phoenix Activities** – The Government has proposed tax law changes to counter fraudulent phoenix activities by company directors.
- **New Restrictions On SMSF Investment In Artworks** – New regulations to restrict investments by self-managed super funds in collectables have been made.
- **Income Test For Private Health Insurance Rebate** – The Government is again attempting to pass legislation to income test the 30% private health insurance rebate.
- **Tax Discount On Interest Income** – The Government has released details on its proposal to provide individuals with a 50% tax discount on interest income from 1 July 2012.
- **ATO Targets FBT Avoidance Using Employee Share Trusts** – The ATO has warned taxpayers of an arrangement involving employee share trusts.
- **No GST On Damages Paid For Lost Scaffolding** – The Federal Court has made a decision concerning GST and damages for conversion of goods.
- **Division 7A Benchmark Interest Rate** – The benchmark interest rate for calculating the interest component on private company loans for 2011–2012 has been announced.
- **Reasonable Travel And Meal Allowance Amounts** – Reasonable travel and meal allowance amounts for 2011–2012 have been announced.
- **Car Depreciation Limit And Luxury Car Tax Threshold** – The car depreciation limit, luxury car tax threshold and fuel efficient car limit for 2011–2012 have been announced.

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

Yours sincerely
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