

# 2023 ATO AUDIT ACTIVITY & TAX CHANGES

There have been a lot of changes this year, and we are seeing evidence of increased ATO audit activity. Read this important document to be fully aware of these items.

## Working from Home (WFH)

- Major changes here!
- You must have a diary from 1<sup>st</sup> March, 2023 of all hours worked, to be able to claim WFH in your return. See our WFH diary template on the MJM portal or ask us for one.
- ATO rate has decreased from 80c to 67c per hour and includes reimbursement for Phone/Internet/Electricity.
- You can no longer claim a rate per hour for electricity. If claiming a % of actual costs of Phone + Internet then we will need totals for electricity too.

## Motor Vehicles

- Cents per km rate has increased this year – if irregular travel please have some type of record of kms travelled

## Self-Education Expenses

- You can now claim the whole cost of self-ed that is directly related to your job (\$250 reduction has gone)

## Tax Offsets

- ATO has removed the low & middle income tax offset (LMITO)
- We still have a low-income offset (LITO) for low income earners (cuts out at \$66,667 for the year)

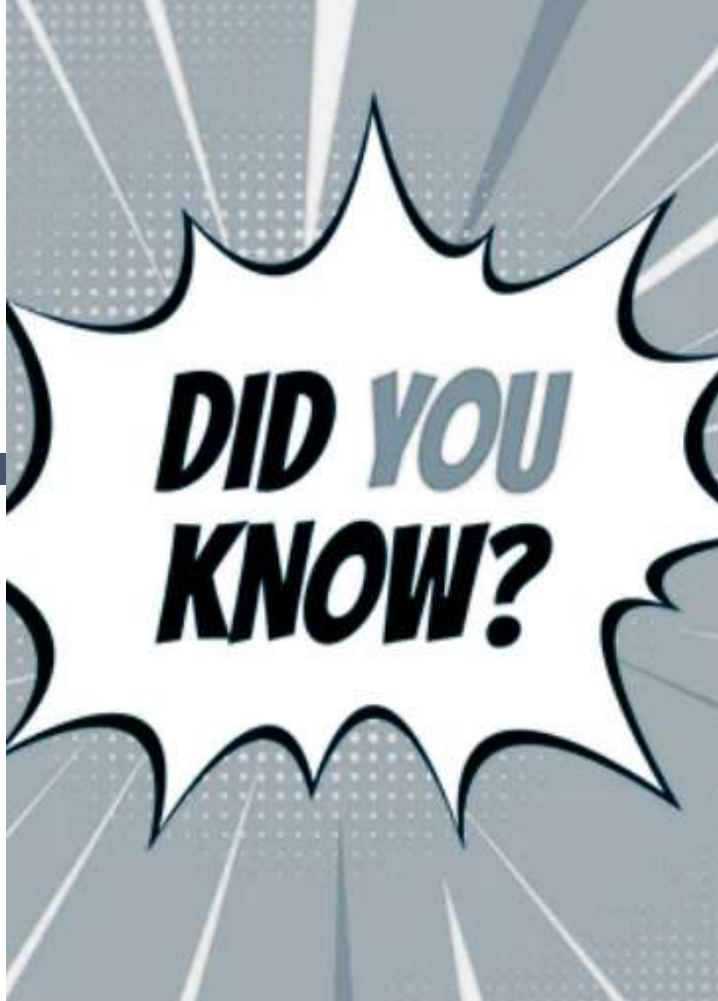
## Rental Properties

- ATO has increased the depreciation rate for special building write-off from 2.5% to 4%
- If your rental property is new(ish) or substantially renovated, contact [DuoTax](#) to get your depreciation schedule at our special price.

## Changes for Small Business

- Reduction of instant asset write-off to \$20,000 from 1/7/23
- Incentives for investing in energy saving technologies
- Small business technology and training boost (120% deduction)

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## Carry Forward Super

- Not new, but worth mentioning again, is the carrying forward of unused concessional super (5 years)
- Tax deductions for contributing to super (up to \$27,500 per year) may increase your tax refund and also help cater for your retirement
- Whilst we can't provide you with financial advice on this, we can refer you to an excellent financial planner if this is something that interests you.

## ATO AUDIT ACTIVITY

- ATO resources have been increased in the area of audits
- Care with work related expenses, rental deductions, WFH and business use % estimates
- Capital gains on the sale of residential properties and other investments is a hot spot of ATO activity
- Increased data matching (crypto etc)



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