



## Taxing Times for Small Business

It is gut-wrenching to see so many small businesses in lockdown or restricted trading conditions as we face this latest outbreak of COVID-19.

There is no doubt a national framework providing clear and predictable information about fit-for-purpose support for small and family businesses in these types of events would help in navigating and adapting to these challenging times.

In the meantime, small business owners who are struggling to cope with the stress of this latest wave of restrictions are encouraged to reach out for help. Visiting our [My Business Health](#) web portal or registering for Beyond Blue's free [New Access for Small Business Owners](#) program is an excellent start. Remember you don't have to go it alone. Help is available if you need it.

With the events unfolding right now, you could be forgiven for forgetting it is the end of the financial year.

It's really important to be proactive at tax time – no matter how difficult the past 12 months have been on your small of family business.

A new report from the [Inspector General of Taxation and Taxation Ombudsman \(IGTO\)](#), shows that although SMEs owe \$21 billion to the ATO – well over half of this collectible debt is held by just 6.4% of SMEs.

We know the vast majority of small business owners are doing the right thing and complying with their tax obligations.

This IGTO report shows that while collectible debt owed by small businesses to the ATO has reached an all-time-high, in reality the breakdown sees the majority of debt owed by very few SMEs while the remainder is very small amounts of debt spread over a small percentage of Australia's more than 2 million SMEs.

In fact, less than one per cent of small businesses owe \$2.5 billion to the ATO, according to the IGTO's report.

The report also highlights a concerning decline in small business payment plan arrangements over the past three years.

For those small businesses that are struggling to meet their tax obligations, now is not the time to put your head in the sand.

Small businesses are strongly encouraged to get on the front foot by lodging now and reaching out to the ATO – either online or by phone - for a tailored payment plan, if having difficulties meeting payment obligations.

The ATO has told my office it is also introducing a system for payment plans in arrears to give small and family businesses a chance to get back on track rather than falling into default and having to start again.

While the ATO is signalling plans to return to collection action, which it relaxed during the pandemic, it has also indicated to my office that its predominant strategy is to support and assist small businesses wherever possible.

The ATO has acted on key recommendations in ASBFEO's report: [A tax system that works for small business](#) to turn its small business independent review service into a permanent offering.

This is in addition to the Australian Government giving the Administrative Appeals Tribunal (AAT) greater powers to pause or change debt recovery action applied to small businesses in dispute with the ATO.

Small businesses engaged in a tax dispute are encouraged to contact my office for assistance on 1300 650 460 or email [info@asbfeo.gov.au](mailto:info@asbfeo.gov.au)

Finally, it was World MSME Day on June 27, and I want to take this opportunity to thank all small and family businesses for your vital contribution to Australia's prosperity, wellbeing and community. The past 18 months have been incredibly challenging for small businesses, but I have been inspired by the courage, resilience and agility shown by the small business community. More than ever we have seen the deep personal commitment it takes to run a small business and I thank you all for your hard work, determination and fighting spirit.

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# #WorldMSME

Micro-Small and Medium-Sized  
Enterprises Day

**Sunday 27 June**

## Women recognised as key drivers of business growth on World MSME Day

The Australian Small Business and Family Enterprise Ombudsman Bruce Billson has recognised the rise of 'womenpreneurs' and the key role women will play in driving future business growth on World MSME Day (Sunday 27 June, 2021).

[Find out more](#)



## Scammers taking advantage of COVID-19 to target small businesses

Scammers are using the COVID-19 pandemic to target Australian small businesses

with a range of scams including phishing, vaccine supply scams and email compromise. Protect your business by using best practice and know the common small business scam tactics to look out for.

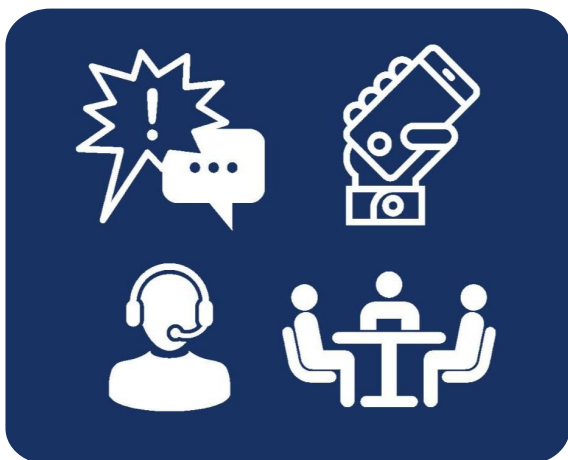
[Read More](#)



## Croc Candy's sweet success

While in Darwin Ombudsman Bruce Billson caught up with Executive Head of Croc Candy, Angus Copelin-Walters.

## Key monthly statistics from our Assistance team



**495** phone calls to the ASBFEO Information Line.

**83%** of contacts were from small businesses

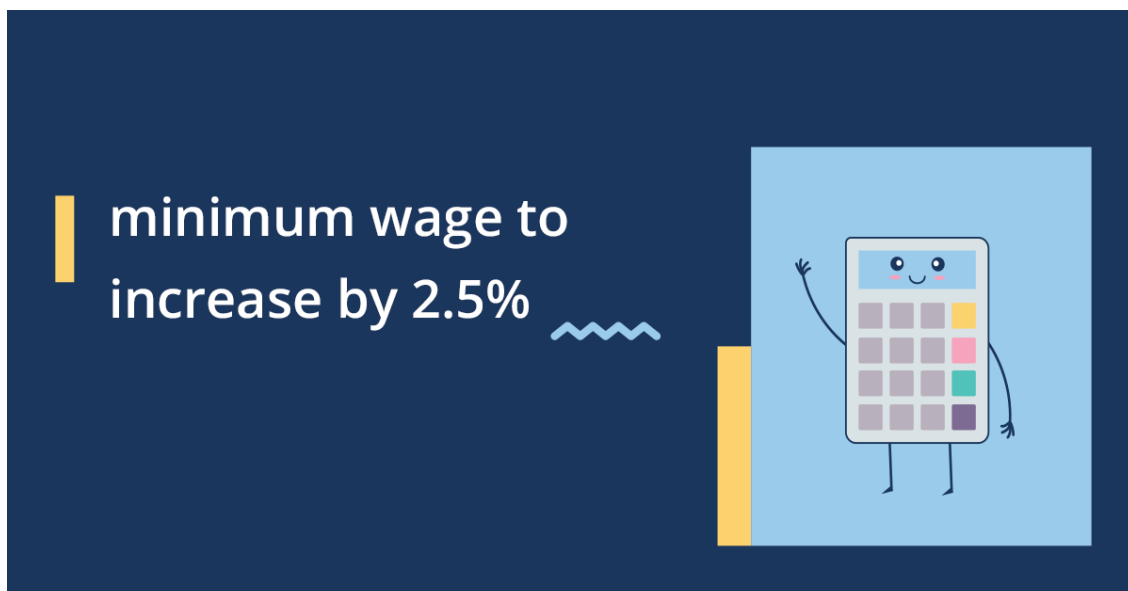
Payment disputes (**38%**) and contract disputes (**21%**) were the top two types of disputes.

**32%** of contacts came from NSW, **22%** and **22%** from VIC.



The [My Business Health](#) web portal can help you with the challenges of running a small business. Access expert advice and find tips for achieving balance in your busy business world. Visit My Business Health for more information on [Beyond Blue's tailored program New Access for Small Business Owners](#).

**Visit My Business Health today**



## **Minimum wages to increase by 2.5%**

The Fair Work Commission has announced a 2.5% increase to minimum wages. Most awards get the increase from the first full pay period starting on or after 1 July 2021. General Retail Award wage rates will be increased from 1 September 2021 and the rates in 22 other awards where the Commission deemed there were exceptional circumstances will be increased from 1 November.



[Read More](#)

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## **New excise remission scheme announced**

Eligible alcohol manufacturers can receive an automatic remission of excise duty on alcohol they manufacture from 1 July 2021. From 1 July 2021 the Excise remission scheme for manufacturers of alcoholic beverages (Remission scheme) provides eligible alcohol manufacturers with a full (100 per cent) automatic remission of excise duty on alcoholic beverages they manufacture, up to a maximum of \$350,000 per financial year.

[Read More](#)

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# JobMaker Hiring Credit guide available

[ato.gov.au/jobmakerhiringcreditguide](https://ato.gov.au/jobmakerhiringcreditguide)



## JobMaker Hiring Credit

With the second claim period for the JobMaker Hiring Credit ending on 31 July 2021, the ATO is reminding businesses to check if they're eligible to participate in the scheme. Employers can receive up to \$10,400 over a year for each new job they fill between 7 October 2020 and 6 October 2021 with an eligible employee aged 16 to 29 years, and \$5,200 over a year for each eligible employee aged 30 to 35 years.

To receive JobMaker Hiring Credit payments, employers must complete three steps:

- register for the scheme
- nominate their additional employees through Single Touch Payroll (STP)
- claim.

[Find out more](#)



## Simplified Employment Contract Tool

Short on time but big on doing things right? Put your time into finding the right person, save time with the new free Employment Contract Tool. Build an employment contract that's tailored to your business needs and complies with workplace laws.

[Find out more](#)

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# Make it easier, make the change

[ato.gov.au/electronicrecordkeeping](https://ato.gov.au/electronicrecordkeeping)

DE-6649

## **Make record keeping your new financial year goal!**

What worked well for your record keeping this past financial year? Is there anything you'd like to do better? You can claim the cost of record-keeping software as a deduction, so it could be something to consider before the end of financial year to set yourself up for the year ahead. Find out more about how to choose suitable record-keeping software.

**Find out more**



## Single Touch Payroll

A number of [Single Touch Payroll \(STP\) reporting concessions](#) are changing from 1 July. One of these changes is that amounts paid to closely held payees from 1 July 2021 will need to be reported through STP. However, small employers (with 19 or fewer payees) will still have access a number of concessional reporting options for closely held payees. A recording of a recent ATO [webinar](#) about small employers' reporting options for closely held payees from 1 July is now available. Employers are also reminded that the Single Touch Payroll (STP) finalisation declaration for 2020–21 is due 14 July 2021. If employers have any closely held payees, they have a later due date for those payees only.

[Read more](#)

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## Support for your small business

[ato.gov.au/SBsupport](https://ato.gov.au/SBsupport)

DE-23195

### **Small Business support at tax time**

Are you a sole trader who has received JobKeeper payments for yourself and any eligible employees this financial year? From early July, you'll be able to access the total amount of JobKeeper payments you've received through Online services for business, myTax or your registered tax agent. The amount will be provided as 'information only' and will not be mapped to a label.

[Read More](#)

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## New Access for Small Business Owners

A national awareness campaign about a free tailored mental health support service for small business owners has begun, amid new research revealing the emotional toll on small business owners during the past year.

### Subscribe to our media release list

Keep in the loop of small business and family enterprise news and subscribe to our media release list!

You'll be among the first to receive media releases and alerts from the ASBFEO.

All you need to do is email [media@asbfeo.gov.au](mailto:media@asbfeo.gov.au).

Quick and simple!

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