

Byfields Newsletter

December 2018/January 2019

The festive season is upon us with Christmas fast approaching. The partners and staff of Byfields would like to thank all our clients, associates and their families for their continued support during the past year and wish everyone a very Merry Christmas and a happy and safe New Year.

Our offices will be closed from Monday 24 December 2018 and will reopen as normal on Wednesday 2 January 2019.

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ATO Scam Alerts

The Australian Taxation Office (ATO) is seeing an increased number of reports of scammers contacting members of the public pretending to be from the ATO and claiming that there are outstanding tax debts and threatening people with arrest if the debt is not paid immediately.

The ATO is now seeing an evolution of this tactic where the scammers are using technology to make it look like the calls originate from a legitimate ATO phone number. This number may appear on caller ID, be left on voice mail messages for call backs, or directed by *69 for call back functionality. Scammers do this to make the calls seem more valid when they call people a second time. Most frequently the number appearing is 6216 1111, but other numbers have been used as well.

While these scam calls may appear to be from the ATO with a spoofed caller ID, it is important to remember that a legitimate caller from the ATO will never:

- * threaten you with arrest
- * demand immediate payment, particularly through unusual means such as bitcoin, pre-paid credit cards or gift cards
- * refuse to allow you to speak with a trusted advisor or your regular tax agent
- * or present a phone number on caller ID

Never call a scammer back on the number they provide. If in doubt, independently locate a contact number for the organisation referenced in the call or email.

If you are in any doubt about an ATO call hang up and phone the ATO on 1800 008 540 to check if the call was legitimate or report a scam. You can be kept informed on new scam alerts by visiting www.ato.gov.au/General/Online-services/Identity-security/Scam-alerts/ and subscribing to the ATO's general email updates.

Disclaimer: The information contained in this newsletter is provided as a guide to the general public and, whilst the content is believed to be accurate, no liability is accepted for any errors or omissions. Recipients should contact Byfields before acting on any recommendations and cannot place any reliance on such recommendations without this contact.

Do You Have a Digital Will?

Nowadays, there's an extra layer of difficulty to dying. Many of our family heirlooms, mementoes and assets are digital. For starters, consider your social media profiles on Facebook, LinkedIn and Twitter; email on Gmail or Outlook; photos and journals on Dropbox or Google Drive; entertainment on Netflix and iTunes; and money in online bank accounts and in cryptocurrency digital wallets.

How do we bequeath and divide our digital assets? Does your partner have access to your photos on Facebook to remember you by? Most importantly, what happens to our digital accounts after we die? This is where digital wills are important.

A digital will is a document that instructs loved ones on how to manage your digital presence and assets after you're gone.

Prepare a digital register, which is a record of accounts, usernames, and requests for closure of online accounts, and add it to your standard will. The digital will must be a separate, formal document – duly signed and witnessed.

With passwords, most organisations prohibit the sharing of passwords. It is recommended that they are stored in encrypted password management software, accessible by a nominated person only upon your death.

Online platforms such as Everplans (www.everplans.com/#/) and Cake (www.joincake.com/) offer people an opportunity to store information and plan what happens to their digital assets after death.

Plan Your Digital Legacy

Most social platforms do provide options to control what happens to accounts after death:



Google – You can add up to 10 trusted contacts who will receive an email that bequeaths files stored on a Google service if your account is left unattended between three and 18 months.



Instagram – Provides an option to memorialise an account, which means nobody can log in or change it. To memorialise an account, anyone can provide a link to an obituary or news article reporting your death. You can also request account closure.



Facebook – You may nominate a legacy contact to manage your profile after your death. This could be memorialising the page or closing it.



Twitter – The only option is to deactivate the profile by submitting a form with information on the deceased, including a death certificate.



LinkedIn – Executors, colleagues or friends of the deceased can notify LinkedIn that someone has passed away, so their account can be closed and the profile removed.



iTunes – Music files, television series and films are licensed, rather than owned, and cannot be bequeathed.

Simple digital legacy planning can protect your privacy, and remove the burden from your loved ones.

Check Your Vital Signs at Work

Computers and smart phones have revolutionised the way we work but our health is suffering in insidious new ways.

With the advent of mobile devices and trends such as hot-desking and BYO devices, a workstation could be anything from a laptop to a tablet or smartphone perched on your lap, palm or pillow, on a bus or in bed. This is leading to increasingly contorted postures.

Physiotherapists and ergonomists are now treating new conditions such as:

- Tech neck – symptoms include chronic pain in the neck, shoulders, upper back and upper arms, disc injury and associated nerve pain;
- Email apnoea – where we unconsciously inhale and hold our breath when texting, typing hard or answering emails under pressure which may result in symptoms such as low-grade hyperventilation, insomnia, dizziness, a foggy brain or anxiety; and
- Back pain and wrist pain.

The scary thing is that the more time we spend online, our bodies go off-line, and vital signs of life diminish – we move less, blink less, even breathe less.



So what can we do at work to improve our health?

Move

- ✓ Move every 30 minutes by standing up, taking a short walk, doing some stretches, or at least changing your posture.
- ✓ Increase how much you stand by standing up to take phone calls, standing in meetings or standing at the back of the room during long presentations.
- ✓ Increase stepping by having walking meetings, taking the stairs, or getting on or off public transport one stop early.

Breathe

- ✓ Practise breath awareness throughout the day.
- ✓ Focus on the exhale first which helps to relax your muscles. Lengthen the exhalation for a relaxation effect.
- ✓ Breathe in and out of your nose.
- ✓ Breathe into the lower chest and abdomen rather than the upper chest.

See

- ✓ Don't forget to blink to keep your eyes moist.
- ✓ Take a regular eye break by looking into the horizon – this relieves the strain on the ciliary muscles involved in close vision.
- ✓ Adjust lighting to reduce glare on your screen.
- ✓ If you are aged over 40 and wear glasses, get a special prescription for computer use otherwise you'll need to tilt your head back.
- ✓ Get a regular eye check – poor vision can contribute to neck and shoulder problems.

“Share the Dignity” Bag Campaign

For those of you who may not have heard of this charity, it is to help women who are victims of domestic violence who have left their partner and fled with nothing at all, or young girls who have found themselves homeless, to be given the basic essentials all women are entitled to have.

What they ask for is any old handbags containing essential items such as shampoo, conditioner, hairbrush or comb, toothpaste and toothbrush, and other items such as perfume, nail polish, dress jewellery etc. Anything to make these women feel just a little bit special.

This is the second year Byfields have donated to the campaign and we were able to donate **40 full bags** to go to **40 women**. For more information on the campaign, go to www.sharethedignity.com.au/.



Do You Earn Personal Services Income?

This is an important question for many contractors, because if the answer is “Yes”, the contractor can be limited in what deductions they claim and who pays the tax on their net income.

Personal Services Income (PSI) is defined to be income that is **mainly** a reward for your personal efforts or skills. Income can be PSI whether it is for doing work or for producing a result.

Some examples of income which is considered income from personal services are:

- Salary or wages;
- Income of a professional person (e.g. doctor, lawyer, accountant) practising on their own without professional assistance;
- Income payable under a contract which is wholly or principally for the labour or services of a person;
- Income derived by a professional sports person or entertainer from the exercise of their professional skills; and
- Income derived by consultants (e.g. computer consultants or engineers).

The term “mainly” refers to “chiefly, principally or primarily”. The ATO considers the word “mainly” implies that more than half of the relevant amount of the ordinary or statutory income is a reward for the personal efforts or skills of an individual.

The following income is specifically excluded as PSI:

- Income derived mainly from the supply or sale of goods;
- Income derived mainly from the supply and use of income-producing assets;
- Income derived mainly from a business structure; and
- Income derived mainly for the granting of a right to use property

Where there are multiple obligations, that is the supply of goods and services; they must be considered as a whole to decide whether income is mainly a reward for the personal efforts and skills of an individual. A good example here is the sale and installation of plant or equipment. If more than half of the income is derived from the sale of the item, the whole income will not be PSI.

However, if an individual derives income from say, plumbing activities, but also from the sale of drain cleaners and plungers, the activities are not related and each source of income must be separately considered.

In undertaking that determination a comparison of the source of the income is required and whether the value of the efforts and skills of an individual exceeded the value of the other inputs, such as the efforts of other workers, the use of plant and equipment or intellectual property or goodwill.

Key ATO Dates for December 2018 & January 2019

DECEMBER

Payment for medium to large companies (taxable in prior year)	1 December
Payment for companies required to lodge by 31 October	1 December
November monthly BAS due	21 December

JANUARY

Lodgement for medium to large companies (medium to large taxpayer in prior year and not required to lodge earlier)	15 January
December monthly BAS due	21 January
December quarter SG charge due	28 January

For a full list of ATO due dates, go to www.ato.gov.au/Business/Reports-and-returns/Due-dates-for-lodging-and-paying/Due-dates-by-month/.