



Sandercoe Accounting – December, 2019

How Should The Medical Industry Prepare For The Next Tax Season?

“But that’s ages away!” we hear you cry. Well, before you know it, the tax man will have thrown open the door on the 2020/2021 tax year and you’ll be wishing you’d prepped a little more. So today, the team at Sandercoe is consulting the winds of tax time and forecasting the best steps to take for smoother tax sailing.

Evaluating Your Tax Situation

Forewarned is forearmed so take the time now to understand your tax requirements. Some taxes are federally administered. Others are state-based. Are you aware of the ones that affect you? Fringe Benefits Tax (FBT), Capital Gains Tax (CGT), Pay As You Go tax (PAYG) and luxury car tax are just the tip of the iceberg, so check that you have it in order by the start of June.

Not being a tax accountant, you may find it far easier to seek out a medical tax accountant in Sydney like Sandercoe Accounting. We can look at your current year’s activity and immediately see where deductions can be applied and where tax payments or reporting may have slipped.

Finding the Right Tax Accountant

When seeking a tax accountant in Sydney, here are three simple rules:

1. Make sure they are a practicing *medical* accountant as there are many nuanced differences to claiming GST credits relating to the true expense of running your practice. A very good medical accountant understands how Medicare rulings affect your practice and what the latest changes are too.
2. Check that their team is familiar with medical accounting so that you’re not locked in to just one point of contact.
3. Ensure they can recommend other reliable professionals, from financial planning and solicitors to credit and insurance.

Gathering the Paperwork

Good record keeping is the key to saving you time and frustration, and avoiding mistakes, come tax time. If you’re not using a tax accountant in Sydney and you’re lodging yourself, the Australian Tax Office (ATO) pre-fills a lot of information for you. Before clicking ‘send’, we strongly suggest you check your information thoroughly.



Other paperwork you will need to collect includes:

- Payment Summaries; bank statements; shares, managed trusts and units trust statements; rental property income and foreign income details.

Plus expense records (including receipts) for:

- Private health insurance; donations; education; your spouse's income and receipts; union membership and work-related expenses.

GST and Health as the ATO Sees It

The ATO sees health services and equipment as GST-free under certain conditions. Patients always receive medical services GST-free, as do some businesses you deal with. Some health services, say cosmetic surgery, are not GST-free and in fact, don't receive a Medicare benefit. To find out where GST does and does not apply to you, visit the [ATO's GST and Health webpage](#) for a clear explanation on how it applies to your practice.

Or better still, make contact with one of our incredibly talented accountants at Sandercoe Accounting. We're already poised to leap into the next season of tax. As one of the most sought-after medical tax accountants in Sydney, it's our business to make tax easier for you. Call us on 9629 9777 today.