CompleteFinancial
PLANNING
Your family's future is our business

NEWSLETTER
JUNE 2017 EOFY EDITION

News from Complete Financial Planning

- Evelyn is now back working at the office.
- Emma and Kathy are both on annual leave.
- Emma will return July 3rd and Kathy July 17th.
- Jenny will be coming out to all client appointments for in field training, so you will be able to meet her over the next year
- Don't forget the office is shut on a Friday, as Kathy and Emma work from home these days – they can be contacted on their mobiles, 0413 348 472 and 0488 198 200 respectively
- And make sure you go on and 'LIKE' our Facebook page - **www.facebook.com/completefp**

Please don't forget…

Our success is a result of referrals from clients and friends like you. We could always use a few more. So, if you have children, family members, friends or colleagues that may need some advice, please pass our details to them.

End of year tax tips

Pre 30 June

- Defer non-essential income until the new financial year.
- Review your investment portfolio prior to 30 June to determine whether investments should be sold to offset any capital gains or losses made throughout the year.
- Ensure you are eligible for capital gains tax concessions by holding assets for more than 12 months.
- Maximise tax deductions through super contributions. Alternatively, make a contribution into super for your spouse – this could provide you with a tax offset.
- Major changes to super come into effect from 1 July 2017. Make the most of the current contribution caps before they're lost!
- Pay next year's interest on investment property, margin loans, or protected equity loans, and claim the deduction this year.
- Ensure you review income distributions from family trusts. You can lose franking credits in some circumstances if a family trust election is not made.

What will you do with your tax refund?

Many thousands of Australians receive tax refunds every year. Some refunds won't even cover the cost of a pizza to celebrate, however many are quite substantial. If you're one of the lucky ones, what will you do with your tax windfall?

If you go out and spend it, all you're doing is giving part of it back to the government in the form of GST. Sure it's nice to splurge once in a while but there are other places you can stash your cash and reap a longer term benefit. Consider these options:

a) Reduce your mortgage

By paying it straight into your mortgage, you immediately acquire more equity in your home and reduce the interest. Having more equity in your home also means that you can re-borrow that money again for investment, gearing, or to purchase other assets. So that's an option that could keep on working for you.

b) Regular investment plan

Consider investing the lump sum and setting up a regular savings investment plan to build it up. This will help you meet future objectives such as a new home, education or new car.

While a certain amount of money in the bank is helpful for emergencies, now could be the time to consider a longer term plan with assets such as property or shares. You can invest in a managed fund with an initial deposit of $1,000 and make monthly contributions. While such investments are subject to fluctuations in value, you will see them grow over time. There are also likely to be tax benefits from franking credits.

c) Superannuation contributions

Your superannuation fund will surpass any other investment vehicle simply due to the law of compounding... and your contributions are taxed at only 15%[1]. Whilst superannuation funds remain the most tax-effective haven and thus the best way to grow your investments, the downside is that once your money is contributed it's usually not accessible until you retire.

The moral of this story is to have a plan and then apply it. Work out where your tax refund will work best for you then talk your decisions through with us.