

#TrendingwithMTP



And action... The end of financial year is here!

This is an end of financial year like no other.

Being prepared, reviewing your super contributions and submitting your return on time are good policies every year, but the shadow of COVID-19 means many of us face unexpected pressures in a changing economic environment. Here are our last minute tips to be ready for the close of this financial year:

- If you've worked from home this year, the government has recently released guidance on claiming **working from home expenses** as a tax deduction.
- The minimum annual payment required for account-based, allocated pensions and annuities has been cut by 50% in the 2019-20 and the 2020-21 financial years. Be aware if you are set to minimum as your income may change.
- If you want to have a super contribution counted in the 2019/20 financial year, you need to ensure your super fund receives it by 30 June 2020. Make sure you check your contributions caps before making the contribution.
- This is also the first year that those who are eligible can use **unused carried forward concession** cap amounts from the previous financial year (possibility of increased contributions for this financial year).
- If you're earning more than your partner and would like to top up their retirement savings, or vice versa, you may want to think about **spouse contributions**.
- If you have income protection cover, and your budget allows, you may consider pre-paying your premiums 12 months in advance to take advantage of claiming a bigger tax deduction this year.

1

INTEREST RATES

The cash rate has reduced recently, now at an all time low at 0.25%

2

ASX (LOCAL MARKET)

The market has rebounded over the past month, adding 5.3%

3

HOWS THE \$AUD?

The AUD has gain some strength recently, with the AUD now buying \$0.68 USD

Lets turn the clock back to 2000...

Bring back the memories



Russell Crowe starred in the movie '**Gladiator**'.



Kylie Minogue released '**Spinning Around**'



The **Olympics** were held in Sydney, and a young star was born, **Nikki Webster**.



July 1 we seen the **GST** introduced in Australia.



Brad Pitt and Jennifer Aniston tied the knot.

Angelia Jolie and Billy Bob Thornton tied the knot.

Housing construction / renovations grant

Govt. is handing out \$25K to bolster the construction industry

The Federal Government will give eligible Australians \$25,000 to build or substantially renovate their homes, in an effort to boost demand in the construction sector and keep builders employed.



In an attempt to boost new projects between now and the end of the year, the Government will give \$25,000 grants to owner-occupiers for certain works on their homes and also \$25,000 grants to newly constructed homes of owner-occupiers.

Dubbed, the 'HomeBuilder' will be restricted to substantial renovations and the construction of new homes, with eligible owners required to spend at least \$150,000. The 'HomeBuilder' will be means-tested to exclude couples making more than \$200,000 per year and individuals making more than \$125,000 per year, based on the 2018/19 financial year.

The cost of the build/renovation must be between \$150,000 and \$750,000. Building contracts need to be executed between 4 June and 31 December 2020.

The scheme will not apply to investment properties or owners who intend on building or renovating on their own without the help of builders. Applications for the grant will need to be applied via your states revenue office.

Early access to superannuation (COVID19)

If you're eligible, you can access up to \$10,000 of your super between 20 April and 30 June 2020, and up to a further \$10,000 from 1 July until 24 September 2020. Please note that you can only make one withdrawal in each financial year.

However, accessing your super early is not without its risks. Super is designed to pay for your life in retirement, so withdrawing money from it now could affect your retirement lifestyle.

Depending on what your current super balance is and how close you are to retirement, withdrawing money from your super early could have a big impact on the quality of your retirement.

Another potential downside associated with accessing some of your super now is that over the past few months investment markets have fallen due to uncertainty around the economic impact of COVID-19.

The information contained on this document is intended for discussion purposes and does not constitute personal advice. It is general information only and does not take into account the personal objectives, financial situation or needs of any one person. As a result, you should obtain independent financial advice before making any decisions about your financial situation.