

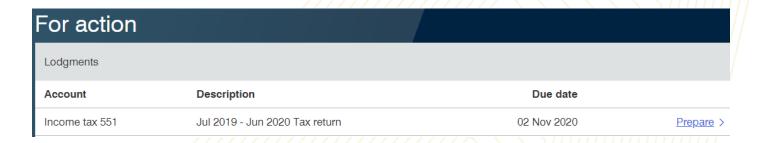


**UNSW Business School** 

# Fact Sheet: myTax Business Income - Sole Traders

This fact sheet assumes you have already linked the Australian Tax Office (ATO) to your myGov account. Please contact the ATO on 13 28 61 (or +612 6216 3444 if you are calling from outside of Australia) if you have any problems with linking on myGov. It also assumes you meet the ATO definition of a Small business entity.

When you log into myTax, click on Prepare next to the return you want to prepare



Confirm your personal information. When you get to the "Personalise your <Year> return" page, check your residency status and spouse information

# Personalise your 2019-20 return Were you an Australian resident for tax purposes from 1 July 2019 to 30 June 2020? > visit residency status for tax purposes of to learn more No Did you have a spouse at any time between 1 July 2019 and 30 June 2020? Yes No

and scroll down until you see a list of income items.

- Place a tick next to You were a sole trader or had business income or losses, partnership or trust distributions (not from a managed fund).
- Place a tick next to Business/Sole trader income or loss
- Place a tick next to Business income or loss (this factsheet assumes you are not earning personal services income)

#### How can we help

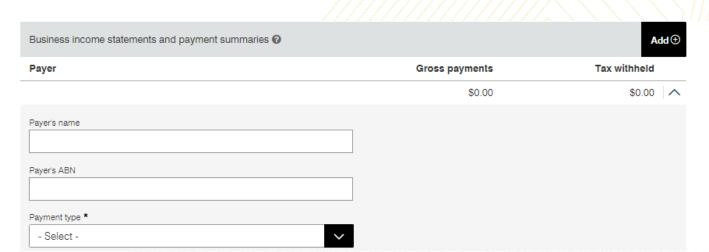
UNSW Tax Clinic provides free, independent and confidential tax advice and support. We have outreach locations across Sydney and also offer phone appointments depending on your circumstances and location. Our tax advice and representation services are often in high demand, so we give priority to people who need our help the most.

| ou were a   | sole trader or had business income or losses, partnership or trust distributions (not from a managed fund)  |
|---|---|
| ✓ Busine  | ess/Sole trader income or loss  |
|   | Make a selection to include Personal services income or Business income or loss. This will affect how you complete your tax return To learn more, visit:  > Personal services income (includes a video tutorial on how to include a labour hire payment) > Business income or loss (Alternatively, use the Personal services income decision tool.    Use the personal services income decision tool  |
|   | Personal services income ?  |
| <b>✓</b>  | Business income or loss   |
| Partne  | rships  |
| Trusts  |   |
| Net fa  | rm management deposits or repayments  |
| Add/E   |   |
| Add/E<br>ck<br>ng up a c<br>SI tests, p<br>ormation   | next to Business/sole trader, partnership and trust income (including loss details) – this was question about personal services income (PSI). Answer the PSI questions – if you do not satisfy the please see the Fact Sheet myTax Business Income – PSI or please follow this link for further   |
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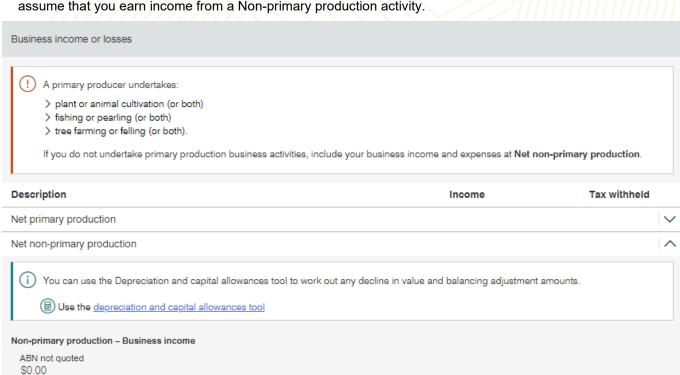
Complete the questions about your Business activity, Status of business, Business name, ABN and

Business address and click

If you received any **Business income statements and payment summaries**, click on the details for each income statement you receive and save each one.



If you did not receive any Business income statements and payment summaries, scroll down to the heading **Business income or losses** and click on arrow next to the appropriate **Description**. In the examples below, we assume that you earn income from a Non-primary production activity.





Enter your income in the appropriate boxes (most people will enter their income in Other business income manually calculated)

| Assessable government industry payments     |     |
|---|-----|
| \$  | .00 |
| Other business income – manually calculated |     |

Scroll down and enter your expenses in the appropriate boxes (including All other expenses - manually calculated)

| All other expens | es – manually calculated |  |
|------------------|--------------------------|--|
| \$               |                          |  |
|                  |                          |  |

If you are using accounting software and your income or expenses in your software is different to your tax income and expenses, complete the **Non-primary production – Business reconciliation items** section

| lon-primary production – Business<br>Section 40-880 deduction | reconciliation items                    |           |  |
|---|---|-----------|--|
| \$  |   | .00       |  |
| Business deduction for project pool                           |   |           |  |
| \$  |   | .00       |  |
| Landcare operations and business of                           | deduction for decline in value of water | facility, | fencing asset and fodder storage asset |
| \$  |   | .00       |  |
| Income reconciliation adjustment -                            | manually calculated                     |           |  |
| \$  |   |           |  |
| Expense reconciliation adjustment -                           | manually calculated                     |           |  |
| \$  |   |           |  |
| Net non-primary production incom<br>\$0.00                    | ne or loss from business this year      |           |  |

| >  | Complete <b>Deferred non-commercial business losses from a prior year</b> box if you had deferred non-commercial business losses  |
|----|---|
| De | eferred non-commercial business losses from a prior year  |
| (  | 1 .00   |
|    | otal non-primary production net income or loss from business  |
|    |   |
|    | Enter the <b>net income or loss</b> in the appropriate section  |
|    | otal non-primary production net income or loss from business  |
|    | You must enter amounts in the fields below. The amounts you enter in the three fields below must add up to Total non-primary production net income or loss from business. |
|    | Net non-primary production income or loss from a business of investing *  |
|    | \$ 0 .00  |
|    | Net non-primary production income or loss from a rental property business *   |
|    | \$ 0 .00  |
|    |   |
|    | Remaining net non-primary production income or loss from business *  \$ 900 .00   |
|    | 300 .00   |
| A  | Click  Complete the Other business and professional items where appropriate   |
|    | Other business and professional items   |
| S  | mall business entity simplified depreciation - Deduction for certain assets   |
|    | \$ 00.  |
| s  | mall business entity simplified depreciation – Deduction for general small business pool  |
|    | \$ 0.00   |
| Т  | rade debtors  |
| ĺ  | \$ .00  |
| _  | rada graditara  |
|    | rade creditors \$ .00   |
| Ĺ  |   |
| T  | otal salary and wage expenses 🕜   |
|    | .00   |

## Not sure if you are a Small business entity?

Follow this link to the ATO website - <a href="https://www.ato.gov.au/business/small-business-entity-concessions/eligibility/">https://www.ato.gov.au/business/small-business-entity-concessions/eligibility/</a>

| >           | Click Save   |
|-------------|--|
| >           | If you have a loss, complete the <b>Loss details</b> section by clicking on information about losses to help you complete this section - <a href="https://www.ato.gov.au/Business/Non-commercial-losses/">https://www.ato.gov.au/Business/Non-commercial-losses/</a>   |
| >           | If you have a profit, click  |
| <b>&gt;</b> | Click  to add expenses such as Dividend deductions, Interest deductions, Gifts or donations and Cost of managing tax affairs  If you are a small business, click on next to Offsets  |
| (           | Offsets Add/Edit >   |
| ŧ           | Small business income tax offset  You may be eligible for this offset. Review this item.   |
| ><br>C      | Enter your net small business income (from sole trading activities) in the appropriate box and then click  Save and continue  Offsets  |
| All         | fields marked with * are mandatory.  |
| (           | The tax offset for net medical expenses for disability aids, attendant care or aged care is no longer available for 2019-20 (since 1 July 2019).   |
| S           | mall business income tax offset  |
|             | You may qualify for this offset if you are:  > a small business entity carrying on a business as a sole trader, > entitled to a share of net small business income from a small business entity trust or partnership.  Use our small business income tax offset calculator to work out your income amounts that will be used to calculate your offset.  If you already know the amounts enter them below. We will work out the offset for you. |
| (           | > You are not entitled to this offset for income you have shown at Personal services income. > If you enter amounts below you must also enter your sole trader, partnership or trust income or loss amounts in the relevant income sections.   |
| Ne          | t small business income (from sole trading activities)   |
| q           | 900 00   |

> Complete the remainder of the return according to your situation.

Click in the Tax Estimate box

Tax estimate

Calculate

Calculate

Calculate

Calculate

Lodge

and then click

Lodge

More information about how to use myTax can be found on the ATO website

https://www.ato.gov.au/Individuals/Lodging-your-tax-return/Lodge-online-with-myTax/

For more information, contact the UNSW Tax Clinic

Email: taxclinic@unsw.edu.au

Phone: 02 9385 8041

The information on this Fact Sheet is general advice only, please speak to a tax advisor if you require specific advice



# How we can help

UNSW Tax Clinic provides free, independent and confidential tax advi ce and support. Our tax advice and representation services are often in high demand, so we give priority to people who need our help the most.

Advice is provided by a registered tax agent, who supervises student volunteers from the UNSW Business School.

### Am I eligible?

- Are you experiencing issues with the ATO in relation to prior year returns?
- Would you otherwise not have access to tax advice and support?

#### At your appointment

- You will first talk to a tax student who will ask you for personal details and about your tax problem.
- The student will then go and talk to a registered tax agent about your tax problems.
- The student and the tax agent will come and speak to you and the tax agent will give you advice.
- Whilst we do our best to avoid it, your appointment may be delayed, depending on how many volunteer tax
  agents and tax students are present.

**Bookings are essential so please** 

Call 02 9385 8041 or

Visit business.unsw.edu.au/taxclinic