AUTUMN 2026

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We Are Here To Help

This guide is merely meant to provide you with a starting point for identifying the areas that might have a significant impact on your personal and business planning. We're always glad to consult with you on such matters and advise in any way that we can.

YEAR END STRATEGIES 2026

PRACTICAL STRATEGIES TO HELP YOU FINISH THE FINANCIAL YEAR STRONG

AV CHARTERED ACCOUNTANTS

What is Tax Planning?

April and May are the right time to start thinking about the end of the financial year. May is Federal Budget month — and we need time to understand what the Budget actually means for your tax position, not just the headline announcements. By the time June arrives, many of the strategies we could act on are simply no longer available.

So what exactly is tax planning?

Over your lifetime, you'll pay a lot of tax. For most people who own a business or investment property, we're talking hundreds of thousands of dollars — sometimes more. What many people don't realise is that a significant portion of that tax doesn't actually have to be paid. Not by doing anything questionable — simply by making the right decisions at the right time.

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Business Structures
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Business Valuations
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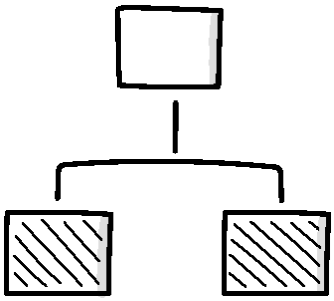
A simple way to think about it

Think of tax planning like maintaining a car. You could wait until something breaks down, or you could do regular servicing and catch problems early. Tax planning works the same way. Small decisions made now — about how your business is structured, where your investments are held, or how your super is set up — can have a significant impact on the tax you pay years down the track.

Tax planning has two parts

The first part is about right now. In April and May, we look at how your year is tracking, estimate what you're likely to owe, and identify strategies to reduce it before 30 June — whether that's contributing extra to super, timing a business expense, or structuring trust distributions. Whatever we suggest, we make sure it actually puts you ahead.



The second part is about the long game. This is where the bigger savings often live. We look further ahead to spot opportunities that might take years to set up, but could save you — or your family — a significant amount of money.

Some real examples of what that can look like

- Buying an investment property with a plan to move into it after retirement can reduce the capital gains tax payable by your estate to zero — but only if the strategy is understood before the purchase.
- Super you leave to your adult children can be taxed at up to 17%. There are strategies to reduce or eliminate that tax, but they need to be set up years in advance.
- The way your business is structured today determines how much tax you pay when you sell it. This is something we review each year so you're never caught off guard.

How we approach it

We start where you are right now. We work through your expected income for the year, look at what tax is coming due, and make sure nothing catches you by surprise. Then we zoom out and look at the bigger picture — business structure, asset placement, super efficiency, and even how your parents' estate is set up, because assets transferred through an inheritance can sometimes carry a tax bill that could have been avoided with earlier planning.

FROM YOUR ACCOUNTANT

Tax planning is most effective when we have time to act. We'd love to sit down with you and map out what's possible.

Contact us to book your tax planning meeting — it's one of the best ways to spend an hour at this time of year.

Family Trust Distributions 2026

April and May are the time to start thinking about who will receive income from your family trust this year — and how much. This decision must be made before 30 June, and the deadline is firm. Getting it right can save your family a significant amount of tax. Getting it wrong, or leaving it too late, can be very costly.

HOW DOES A TRUST GET TAXED?

Under Australian tax law, trust income is taxed once — either the trust pays the tax itself, or the family members who receive the income pay it. The good news is it's never taxed twice.

The problem is that when the trust pays the tax itself, the rate is 47 cents in every dollar. That's very high. In most cases, it makes far more sense to distribute the income to individual family members, who typically pay tax at a lower rate.

WHO SHOULD RECEIVE THE INCOME?

The simple answer is: the people in your family who pay the least tax. If one family member earns very little — for example, an adult child who is studying, or a spouse who isn't working full time — they may pay a much lower rate of tax on the same income.

The government is well aware of this strategy and has put strict rules in place to stop people from putting income in someone's name without that person actually receiving or benefiting from the money. The distribution needs to be genuine.

SOMETIMES PAYING THE HIGHER RATE ACTUALLY MAKES SENSE

Every now and then, we might recommend leaving some income in the trust — even though it will be taxed at 47%. This can happen when distributing more income to a particular person would push them over a threshold, costing them more in other ways. We always look at the full picture for each family.

THE 30 JUNE DEADLINE IS ABSOLUTE

All decisions about who receives the trust's income must be made and signed off before 30 June. The law gives no flexibility on this. Waiting until you drop off your tax paperwork after year end is too late. We need to connect before year end, estimate the numbers, and get the right documents in place before the financial year closes.

HOW WE WORK THROUGH THIS WITH YOU

We sit down with you, estimate what each person in your family is likely to earn this year, and what the trust's income is expected to be. We don't need exact figures — a reasonable estimate is enough. From there, we prepare the paperwork that legally distributes the income in the most tax-effective way possible. And because the law allows us to work with percentages rather than fixed amounts, we can get it done before your final numbers are confirmed.

If your business or investments are held in a family trust, please don't leave this to the last minute — the deadline cannot be moved.

Contact us to arrange a trust distribution review.

FROM YOUR ACCOUNTANT

MAXIMISING Super in 2026

Superannuation is one of the best tax-saving tools available to everyday Australians. The government wants people to save for their own retirement, so it offers real incentives to put money into super — including significant tax advantages that most people don't fully take advantage of. Before 30 June, it's worth considering whether any of the following strategies could benefit you this year.

HOW MUCH CAN YOU CONTRIBUTE TO SUPER THIS YEAR?

There are two main types of super contributions:

Tax-deductible contributions	Personal contributions
Tax-deductible contributions — this includes what your employer pays, plus any extra you put in yourself and claim as a tax deduction. **The limit this year is $30,000.**	Personal contributions with no tax deduction — money you put in from your own savings without claiming it at tax time. **The limit this year is $120,000.**

From 1 July 2026, both limits will increase to **$32,500** and **$130,000** respectively. If you've been thinking about topping up your super, now is a good time to act.

THE EARLIER YOU START, THE BETTER

The single greatest advantage super offers is time. Money inside super grows in a low-tax environment, and the longer it stays there, the more it compounds. If you put $100,000 into super at age 25 at 7% per year, by age 65 it will be worth around $1.5 million. The same amount put in at age 40 grows to just $542,000. The difference — nearly $1 million — comes purely from starting sooner.

SHARING SUPER WITH YOUR SPOUSE

You can share some of last year's super contributions with your spouse. Your fund transfers up to 85% of your eligible contributions across to your spouse's account — even if they're with a different fund. This helps balance both of your super accounts over time, which can be very useful later in life when certain limits start to apply. You have until 30 June each year to do this.

A FREE $500 FROM THE GOVERNMENT

If your income is under $62,488, there's a little-known bonus available. Put $1,000 of your own money into super — without claiming it as a tax deduction — and the government adds $500 to your account. The full $500 applies if your income is under $37,000 and reduces gradually after that. For younger people, this is particularly powerful. A $1,000 contribution at age 20 could grow to over $31,000 by age 65.

CONTRIBUTE TO YOUR SPOUSE'S SUPER AND GET MONEY BACK

If your spouse earns under $40,000 a year, you can put up to $3,000 into their super — and the government will refund you 18% of what you contribute. That's up to $540 back in your pocket at tax time, while the full $3,000 goes into your spouse's super with no tax taken out.

FROM YOUR ACCOUNTANT

Super can get surprisingly complex once you factor in your income, age, and existing balances. We're here to help you work out which strategies make sense for your situation before 30 June.

Give us a call to arrange a time to chat.

Thinking of Selling Your Business in the Next Ten Years?

When you start a business, it pays to think about how you'll eventually leave it. For many small business owners, the plan is to sacrifice income along the way, reinvest everything back into the business, and one day walk away with a large lump sum. Done correctly, that money can be completely tax-free. Done incorrectly, the tax bill can be as high as 47%. On a $1 million sale, that's a potential difference of $470,000 — and it all comes down to how your business was set up, sometimes years before the sale.

WHY DOES THE STRUCTURE OF YOUR BUSINESS MATTER SO MUCH?

There is a set of special tax rules — called the Small Business CGT Concessions — that allow eligible small business owners to pay little or no tax when they sell their business. CGT stands for Capital Gains Tax, which is the tax you pay on the profit from selling an asset.

These rules have been around since the late 1990s and were designed to reward small business owners who choose to reinvest everything back into building their business rather than contributing to super along the way.

A REAL-WORLD EXAMPLE

A business owner sells their business out of their company for $1 million. Because they built the business from the ground up, the original cost is effectively zero — so the entire $1 million counts as profit. Normally, the company pays 25% tax, leaving $750,000. When that money is then paid to the owner, further tax applies, and the total tax bill can reach $470,000.

Now consider the same situation, but the owner is over 55, has been involved in the business for at least 15 years, and the business meets all the required conditions. In that case, the tax could be zero. A saving of nearly half a million dollars on a single transaction.

THE RULES MUST BE MET EVERY YEAR, NOT JUST WHEN YOU SELL

Here's the part that catches many business owners off guard: you don't just need to meet these rules in the year you sell. Many conditions must be satisfied throughout the entire time you own the business.

For example, one key requirement is that the business has had an eligible owner in a qualifying role throughout the ownership period. If there's ever a gap — even accidentally — the benefit can be lost. That's why we check this each year as part of your regular tax work.

We also keep an eye on other businesses, trusts, or properties that are legally connected to yours. Some connections are helpful and worth keeping. Others can accidentally cause you to fail a test you need to pass.

THE RIGHT TIME TO PLAN IS NOW, NOT LATER

Whether you're thinking of selling in two years or ten, the strategies that lead to a tax-free exit need to be in place well before the sale happens. By the time a sale is on the table, there is very little that can be done if the structure isn't right.

If selling your business is something you're thinking about — whether soon or years away — the earlier we can review your structure, the more options we have available.

Contact us to arrange a business exit planning conversation.

FROM YOUR ACCOUNTANT

Am I In The Right Business Structure?

This is an ongoing question — but the best time to review your business structure is towards the end of the financial year. If you are going to make a change, it is best to do it cleanly at the end of a financial year and start fresh in the new one.

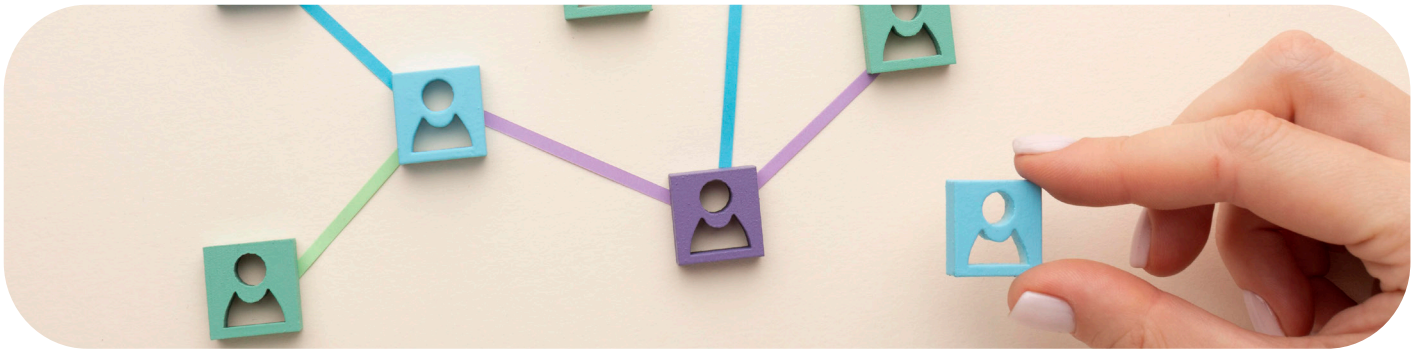
That said, there is a lot of preparation involved. You may need to set up new entities, draft trust deeds, apply for tax file numbers, ABNs, open bank accounts, register trade marks, and more — so getting started early matters.

Since you started your business, have your circumstances changed? Have you married or had children (a family trust can suddenly become very attractive)? Is your business growing and you're now concerned about personal liability? Are you thinking about bringing in a partner or offering equity to a key employee? Perhaps you're considering buying your own premises or a significant amount of equipment.

When reviewing your structure, there is a lot to consider — but let's break it down to a few key points:

- Is it the most tax effective? This goes well beyond annual income tax. It also covers exit taxes like Capital Gains Tax if you ever sell the business. Your structure can have a massive impact on how much tax you pay at that point.
- Does it protect your personal wealth from business debts? While this is largely a legal question, it is one of the most important factors when choosing a structure.
- Does it give you the control you need? Can you still steer the ship even if you give away some equity?
- Is there flexibility to add new owners without major disruption?
- Do you actually understand your structure? It sounds obvious, but some business owners are in structures that are far too complicated to manage effectively. Sometimes the right answer is to simplify.

> The good news is that there are now some very effective tax concessions available that allow small business owners to move to a new structure without paying tax up front. These concessions are powerful, but they come with conditions and restrictions, so careful planning is essential.



FROM YOUR ACCOUNTANT

If any of the points above resonate with you, or you feel your current structure may no longer be the best fit, we'd love to talk it through.

Reach out to us to arrange a conversation — the sooner we look at it, the more options we have before the end of the financial year.

Want to Give Some Super to Your Spouse?

Before 2007, people were constantly trying to balance their superannuation accounts with their spouse's. The reason was simple — up until that point, there were limits on how much super you could withdraw with concessional tax treatment. If one person had $1 million in super and withdrew it as a lump sum, the tax bill would have been enormous. But if both partners each had $500,000, the entire withdrawal would have been concessionally taxed.

Then in 2007, the rules changed dramatically. There was no longer any limit on the amount of super you could withdraw once you reached age 60, and it could all be taken tax-free. From that point, there was no real reason to try to balance super accounts between spouses.

That changed again in 2017, when the government began winding back the generous tax benefits it had introduced in 2007. It started by capping the amount you could hold in a pension with concessional tax treatment, then introduced various other caps and restrictions. For example, if you want to take advantage of the carry-forward concessional contribution cap — where you can claim a tax deduction for unused portions of a previous year's cap — you need a super balance of less than $500,000. With these restrictions now in place, it has once again become important to think about equalising your super balance with your spouse's.

Of course, you can't simply withdraw your super and hand it over to your spouse. So, short of getting a divorce, what can you do?

THE ANSWER: A CONTRIBUTIONS SPLIT

This has been available since before the 2007 changes. Under these rules, you can take up to 85% of your concessional contributions and effectively roll that money over into your spouse's super fund. For example, if you contributed $30,000, you could split up to $25,500 across to your spouse in the following year. It doesn't matter whether your spouse made their own contributions — the split is treated as a rollover, not a new contribution.

To do a contributions split, you'll need to contact your super fund and provide the necessary documentation before 30 June 2026, to split your 2024/25 financial year contributions. Just make sure you specifically ask for a "contributions split" — if you use different wording, your fund might send you paperwork for a family law split under a divorce, which is a very different thing.

It's also worth noting that a contributions split isn't just useful for equalising balances. There are situations where one partner is old enough to access their super and wants contributions split across to their account so the money can be accessed sooner.

If you'd like to explore whether a contributions split makes sense for your situation, please give us a call or send us a message.

With 30 June approaching, now is the right time to look at this.

FROM YOUR ACCOUNTANT

Why Every Small Business Needs a Budget

For many small business owners, the idea of creating a budget can feel overwhelming — or even unnecessary, especially in the early stages when the focus is on growth, sales, and day-to-day operations. But a well-planned budget is one of the most powerful tools you can use to guide your business toward long-term success. It helps you understand your financial position, make smarter decisions, and avoid costly surprises.

At its core, a budget is simply a financial roadmap. It outlines your expected income and expenses over a set period — monthly, quarterly, or annually. By mapping out where your money comes from and where it goes, you take control of your finances rather than constantly reacting to them.

WHY BUDGETING MATTERS

First and foremost, budgeting gives you clarity. Many small businesses struggle not because they lack customers, but because they lack visibility into their cash flow. A budget lets you anticipate slow periods, prepare for large expenses, and make sure you always have enough to keep the business running.

It also supports better decision-making. Whether you're thinking about hiring staff, investing in new equipment, or launching a marketing campaign, a budget helps you figure out what you can realistically afford — replacing guesswork with clear, data-driven confidence.

Budgeting also helps you set and achieve goals. When your spending is aligned with your business objectives, you can put resources where they'll have the most impact. If growth is the priority, your budget might direct more funds toward marketing and sales.

Finally, it builds financial discipline. Tracking your spending, identifying inefficiencies, and cutting unnecessary costs becomes a habit — and over time, that discipline can significantly improve your profitability.

HOW TO BUILD A SMALL BUSINESS BUDGET

The process doesn't need to be complicated. Start by reviewing your past financial data, if you have it. Look at previous income, fixed costs (such as rent, utilities, and salaries), and variable expenses (like inventory or marketing). This gives you a realistic starting point.

Next, estimate your revenue — but be conservative. Overestimating income is one of the most common budgeting mistakes and can quickly lead to overspending. Use historical data, current sales performance, and any relevant market trends to guide your projections.

Then list all your expenses. Break them into categories such as operating costs, marketing, payroll, and miscellaneous. Make sure you include irregular or seasonal costs — these are easy to forget and can throw your budget off if they catch you by surprise.

Once you have both income and expenses mapped out, compare the two. Ideally, your revenue should exceed your expenses, leaving room for profit and reinvestment. If the numbers don't stack up, you'll need to adjust — either by reducing costs or finding ways to increase revenue.

Finally — and this is important — review and update your budget regularly. A budget isn't a one-off exercise. It's a living document. Check it monthly, compare your actual results against your projections, and adjust as needed.

THE BOTTOM LINE

Building a budget takes time and effort — but the benefits far outweigh the work involved. It gives you control, direction, and confidence in the decisions you make every day. For any small business owner serious about where their business is headed, a solid budget isn't just helpful — it's essential.

FROM YOUR ACCOUNTANT

If you don't currently have a budget in place — or you're not sure whether yours is working for you — we'd be happy to help. Getting this right can make a real difference to your business.

Give us a call or drop us a message and let's make a time to sit down and work through it together.

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