



THE ULTIMATE GUIDE TO

Australian tax returns:

Step-by-step instructions for
online lodgement

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INTRODUCTION



Filing taxes is an essential responsibility for every Australian citizen and resident, and with the advancement of technology, the process has become more accessible than ever before. Embracing this digital solution not only streamlines the process but also empowers taxpayers to take control of their financial affairs from the comfort of their own homes.

By embracing the digital landscape of tax return lodgement, you can save time, reduce the likelihood of errors, and gain valuable insights into your financial standing.

This eBook aims to simplify the process of lodging your tax return online by providing basic guidance to Individuals on how to proceed for your Tax Return. Even though we'll cover a lot of details, this guide is meant to be an overview. Always consult with a tax professional to address your unique circumstances. Now, let's get started!

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Understanding the basics

Understanding basic key terms and concepts in the tax world is crucial in managing your tax obligations effectively.

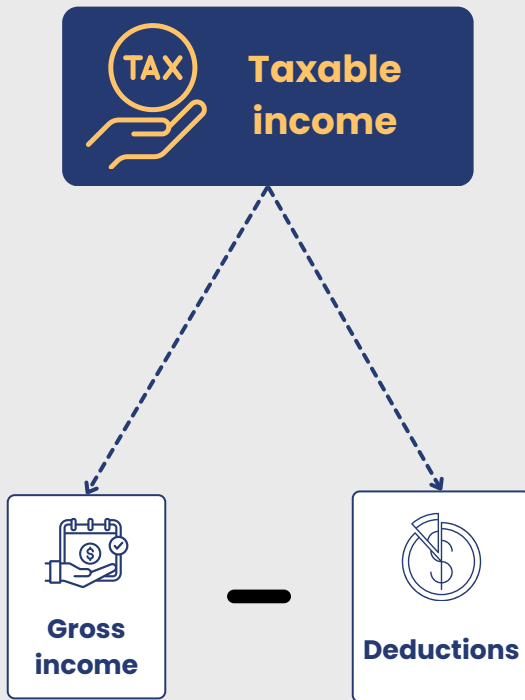
Here are some essential terms:



1. Taxable income:

This is the income upon which tax is calculated after considering the deductions. Gross income includes salaries, wages, business income, certain government payments, and investment income.

So,



2. Deductions :

These are expenses you can subtract from your gross income, effectively reducing the amount of tax you have to pay. Examples include work-related expenses and certain investment costs. Please note that these deductions are subject to various restrictions and limitations.

3. Tax offsets (rebates)

Tax offset also known as tax rebate reduces the tax you pay on your taxable income. These offsets can make your tax payable to zero (but not below zero) except in a few cases.

Here's an example:

Say you've earned AUD 80,000 as a resident for tax purposes. After claiming AUD 5,000 in allowable deductions, your taxable income becomes AUD 75,000.

After calculating tax on this, if you're entitled to a AUD 500 tax offset, this amount is directly subtracted from your tax payable.

4. Tax file number (TFN)

A tax file number (TFN) is your personal reference number in the tax and superannuation systems applied through ATO. It is free to apply for a TFN. Without a TFN, your employer or financial institution must withhold more tax from payments they make to you. Also without a TFN you can't lodge your tax return online.

5. Due Dates

The due date for filing an individual tax return depends on the method of lodgment and the individual's circumstances. Due dates occur in the year following the end of the financial year. Generally, the due dates are as follows:

Lodged by	Due date for filing	Due date for discharge of liability
Individual himself	31st Oct	21st Nov
Through Tax Agent	31st Mar (Tax return for individuals whose latest return resulted in a tax liability of \$20,000 or more)	5th June
	15th May (for all other individuals)	5th June

Now let us understand the above terms through a case study:

Emily works full-time and has an annual salary of AUD 90,000. She has spent AUD 4,000 on work-related expenses (with proper documentation), and she is entitled to a AUD 700 low-income tax offset. Emily's taxable income will be calculated as follows:

Particulars	Amount
Gross income (a)	90,000
Less deductions (b)	4,000
Taxable income (a-b)	86,000
Tax liability (on above as per slab rate)	18,417
Less offset	700
Final tax liability	17,717

Preparing to lodge your tax return



Step 1:

Gathering necessary information :

This step can significantly ease the process of lodging your tax return. Here's what you'll typically need:

Income summary

These are statements from each source of income such as employment income, foreign and worldwide income, government payment & allowances, Investment Income, etc. that provide details about your income and the amount of tax withheld.

Bank statements

Useful for identifying income not reported in payment summaries and for documenting certain deductible expenses.

Invoices, receipts and logbooks

You need to have invoices of certain purchases and receipts for expenses in order to claim deduction specially if they exceed a certain limit (please refer ATO Website for detailed information) above which receipts are required to be produced in case of a departmental inquiry.

Step 2:

Tax return lodgement modes

Once you've gathered your information, you can begin the process of lodging your tax return via the following modes:

- Online mode
- Through a tax agent
- Lodge a paper tax return



EXPERT TIP:

The ATO offers pre-filling services that automatically populate certain sections of your tax return with information from employers and financial institutions. Always make sure to verify the pre-filled data for accuracy and completeness.

Let's have a brief overview of each of the above modes:

Online mode:

Create an online account with My Tax:

You need to create a myGov account and link to the ATO. You can access My Tax within the online product, so there's no need to download any software. Most of the information is pre-filled based on information provided by your employers, Banks, government agencies, Health funds, and third parties by late July.

Confirm your personal and financial details:

Start your tax return by confirming your details, including your name, date of birth, and address. Also, ensure that your financial institution details are up to date. This information will be used in all official correspondence.

Select the relevant checkboxes:

Ensure you cover all income categories that apply to you, such as salary and wages, government payments, investment income, etc. Some of this information is already being selected and will be most available by late July. It is recommended to do your tax return after that otherwise, add the missing info yourself.

Claim deductions and credits:

Next, claim any deductions you're entitled to, such as work-related expenses, self-education expenses, or charitable donations. You'll need receipts or records for these. You can also claim any tax credits you're eligible for, such as the franking credit from dividend income.

Review and Lodge:

Before Lodging, review your return carefully. My Tax will estimate your refund or amount owing. Ensure you haven't missed any income or deduction categories and that all numbers are accurate. Once you're confident everything is correct, tick the declaration & select the lodge button.

Want to estimate your tax liability?

Try our income tax calculator, and get an idea of how much tax you might owe. It's quick, easy, and free.

[Calculate now](#)

Through a tax agent:

Choose a tax agent:

A tax agent is a qualified professional who can help you prepare and lodge your tax return. You can engage the services of a tax agent either online or face-to-face. When choosing an agent, you should discuss their service so you both know what to expect.

Provide your Information:

Book a meeting with your Tax agent and provide all the necessary information. They might provide you with a particular format so it will be easier to keep the records.

Review and sign:

Once you have provided all the required info about income and deductions, the tax agent will work out your tax return and an estimation of refund or amount owing. Once this is worked out, they will send you a copy of return for your review and signature.

Lodgement:

Once the return is signed, the tax agent will lodge your return.

Need help with your tax return?

Our team at ZedPlus is here to assist you. We offer comprehensive accounting services to help you navigate the tax process with ease.

Contact us today

www.zedplus.net.au

Lodge a paper tax return:

To lodge a paper tax return, based on your needs, you will need the following:

- The individual tax return instructions
- A copy of the paper tax return for individuals
- Supplementary section
- Business and professional items schedule.

Alternatively, you can order a pack with instructions and 2 copies of the tax return form. You can order these through our publication ordering service online or by phone.

Fill out the return as per the instructions provided. The business and professional items instructions are only available online. Once the return is complete, send the form to the following address:

- Australian Taxation Office GPO Box 9845

Step 3:

After lodgement:

After lodging your tax return, the ATO will process it and issue a Notice of Assessment (NOA). This document outlines the details of your tax return and your tax liability. If you owe tax, the NOA will indicate how much and how to pay. The ATO will typically deposit it directly into your bank account if you're due a refund.



Frequently Asked Questions



Here, we cover some common queries about lodging tax returns online.

1

What if I make a mistake on my return?

If you realize you've made an error after lodging your return, you should amend it. To amend your tax return, fix a mistake, or include additional information, you can lodge a request online, by paper, through your tax agent, or by sending a letter to ATO.

ATO won't charge a fee if you request an amendment, and don't have to send another tax return unless ATO asks you to. It's crucial to correct mistakes promptly to avoid penalties.

If you need to lodge an amendment, wait until you receive notification that your original tax return or any amendments have been processed. This will help reduce future processing delays.

2

What if I can't lodge by the due date?

If you can't lodge by the due date, contact the ATO as soon as possible to reduce the risk of a penalty. They can grant you a lodgement deferral. You may receive a Failure to lodge (FTL) on time penalty if you should lodge or report by a particular date but don't lodge by that due date

3

Is it mandatory to lodge a tax return if my income is below the tax-free threshold?

If your income is below the tax-free threshold, you may not be obligated to lodge a return, but it's advisable to do so to claim any entitled refunds or benefits.

4

How long does it take to get my tax refund after lodging my return?

If you file your tax return online and have provided the correct information, you can expect to receive your refund within a few weeks. However, processing times may vary. Ensure your bank account details are current so ATO can send you your refund quickly and securely.

5

How do I know if the ATO processes my tax return?

When the ATO processes a tax return, they calculate the taxpayer's tax liability or refund based on the information provided. If there are no discrepancies or issues with the return, the ATO will issue a Notice of Assessment outlining the final tax position. This document is an official record of the taxpayer's tax assessment for that particular financial year.



Conclusion

Understanding and lodging your tax return in Australia doesn't have to be a daunting task. With the right knowledge, preparation, and tools, you can navigate the process with confidence and ease. This comprehensive guide is designed to provide you with the essential information you need to lodge your tax return online. However, every individual's tax situation is unique, and you may need professional assistance.

At ZedPlus, we offer expert accounting services tailored to your specific needs. Our team is dedicated to simplifying your tax lodgement process, ensuring you claim all eligible deductions and offsets, and maximizing your potential refunds.

Accuracy and efficiency are assured with our experts guiding you through your tax journey. **[Reach out to us](#)** today for a stress-free tax season.



GET IN TOUCH TO KNOW MORE



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