



NEGOTIATOR eNEWS

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“The illiterate of the 21st Century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn” – Alvin Toffler

Welcome to the July issue of Negotiator eNews – the free newsletter with Tips, Strategies, Articles and News related to Wealth Creation.

Interest Rate News

The Reserve Bank of Australia has left official interest rates unchanged at a 49 year low of 3 per cent for the third month in a row. The Reserve Bank governor stated they were taking a bit of a wait and see approach with signs the global economy is showing some early signs of stabilizing.

With people moving back into housing for investment and the owner occupied market still strong, we have seen continuing moderate growth in housing prices. This seems to be continuing and gathering a little momentum at the moment.

The Reserve Bank governor also stated a reason for keeping rates on hold was that it left room for further stimulus if needed in the future. This means they have not yet ruled out further cuts in rates.

Figures from the Australian Bureau of Statistics show that low interest rates, healthy population growth, improved housing affordability and relatively steady housing prices have combined to create a resilient housing market.

All in all fairly good news with variable mortgage rates at record lows.

Feature Article

Tax Information Sheets

The Tax Office has recently released various information sheets highlighting the issues that taxpayers need to consider when preparing their 2009 income tax returns.

Personal

This link provides information about::

- Education Tax Refund
- Family Tax Benefit

- First Home Saver Accounts
- HECS-HELP Benefit
- Medicare Levy Surcharge Thresholds
- Same Sex Couples – Death Benefits Dependant
- Upper Income Limit for certain Tax Offsets
- Claiming Donations to Charity

<http://www.ato.gov.au/corporate/content.asp?doc=/content/00196864.htm&pc=001/001/017/007&mnu=&mfp=&st=&cy=1>

Capital Gains Tax

The Tax Office will be focusing on capital gains tax issues in the 2009 income tax returns. This information sheet provides information about your tax obligations when you sell an asset.

<http://www.ato.gov.au/corporate/content.asp?doc=/content/00196820.htm&pc=001/001/017/007&mnu=&mfp=&st=&cy=1>

Rental Property

This information sheet provides taxpayers with information about rental property expenses that can be claimed as well as what can't be claimed.

<http://www.ato.gov.au/corporate/content.asp?doc=/content/00196822.htm&pc=001/001/017/007&mnu=&mfp=&st=&cy=1>

Work Related

The guide provides taxpayers with information about the types of expenses that can be claimed in regards to employment.

<http://www.ato.gov.au/corporate/content.asp?doc=/content/00196824.htm&pc=001/001/017/007&mnu=&mfp=&st=&cy=1>

Business

This includes information on:

- The new small and general business tax break.
- 12 month GIC free payment arrangement.
- Payment deferral for BAS debts.
- Special arrangements for people affected by bushfires and floods.

<http://www.ato.gov.au/corporate/content.asp?doc=/content/00196863.htm&pc=001/001/017/007&mnu=&mfp=&st=&cy=1>

Ask The Negotiator

Email gregg@negotiator.com.au if you have any topics you would like to see covered in future newsletters.

Helpful Product/Tips

Statistics On Wealth Creation Through Property

According to a recent list of the 200 richest Australians, property is Australia's leading wealth creator, with more of the country's richest individuals making their money in property than any other industry.

It's reported that of the 200 individuals on BRW's Rich 200 list, 61 made their fortune in property, 23 in the resources industry while 19 worked in investment.

Three of the top 10 richest Australians made their fortune in the property industry. Most are long-term investors and have worked for many years to build their wealth.

To be successful in property investment you must develop a strategy that fits your personal and financial position.

Important new rules for RCDs and Smoke Alarms

You may already be aware of the new rules that need to be adhered to regarding residential properties. If not, click on the link below to learn more.

In Summary:

- From 9 August 2009, sellers of residential properties will be required by state law to have two Residual Current Devices (RCDs), installed in the property. These safety devices must be installed by the settlement date.
- The same law applies to owners with rental properties. Any residential premises being newly leased must comply from August 9 this year. For existing tenants where no new lease is required the RCDs must be fitted by 9 August 2011.
- In addition to this RCD requirement, there will soon be an additional requirement to have hard-wired smoke alarms, not more than ten years old, in all residential properties being sold or made available for lease. This law is expected to come into effect in October this year. Battery operated smoke alarms will no longer suffice.

<http://reiwa.com.au/Art/Art-Public-View.cfm?PageUUID=6030aa837c16536042af3d387015c5073128-11-Jul-2009-09:43:55:169&Id=11815>

Joke Of The Month

Must Help The Wife

Smith goes to see his supervisor in the front office. "Boss," he says, "we're doing some heavy house-cleaning at home tomorrow, and my wife needs me to help with the attic and the garage, moving and hauling stuff."

"We're short-handed, Smith" the boss replies. "I can't give you the day off."
"Thanks, boss," says Smith "I knew I could count on you!"

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