Year End Tax 12 Point Checklist

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1. Contracts
Have you invoiced retentions that don't need to be paid until next year? If they are payable this tax year, they will be classed as taxable income for this tax year.

2. Employee expenses and holiday pay
You can claim holiday pay, bonuses, redundancy payments, and long service leave owed to employees this year if you have committed to them at year-end and pay them within 63 days of the balance date.

3. Credit notes
Identify credit notes issued to customers after balance date. You may be able to apply them to the current tax year and reduce your taxable income.

4. Expenses
Can you prepay expenses before March 31 for items such as stationery, postage, and courier charges to claim deductions sooner?

5. Debtors
Before end March, review your debtors and list outstanding bad debts. Ensure your records show you've taken reasonable steps to recover them. Bad debts written off before March 31 can often be claimed as a deduction.

6. Fixed assets
If you're not using some assets, you may be able to write them off.

7. Tax losses (carryforward, offsets and subvention payments)
Set to make a loss in the current financial year or have tax losses from prior years? Talk to your accountant about carryforwards, loss offset elections and subvention payments.

8. Discounts for prompt payment
If you've offered prompt payment discounts over the tax year and maintain a discount reserve, this might be deductible. Keep clear records about any discount.

9. Repairs and maintenance
Do repairs or maintenance before the year-end to claim deductions. Consider software development and improvement costs as part of this.

10. Dividends and imputation credits
Review dividend payments for the year by March 31. Imputation credit accounts mustn't have a debit at year-end, or you could incur penalties. Review deemed dividends (for example, overdrawn shareholder current accounts with no interest charged)

11. Stock
Dispose of obsolete stock by year-end or write it down to its net realisable value (the lesser of cost or market value). If your stock is worth less than $10,000 and your turnover is less than $1.3 million for the year, you won't need to include stock movements for tax purposes.

12. FBT
Review FBT. Have you taken account of possible exemptions? The FBT March quarter return is the year's last quarterly return and will most likely require a wash-up calculation.