DON'T LET TAX TIME BE TAXING ON YOU!

For many of us, the thought of getting our paperwork together for tax time is a daunting one. Once a year, every year, we are expected to have our paperwork ready for our accountants, and yet somehow when the time comes around, we have no idea where to find it all!

Getting your tax paperwork organised with an easy system with some vital tools will not only take away the stress, but will also save you time and money. Here are some helpful tips to assist you in finding what you need when you need it for your accountant.

Top Tip 1: Know what you need

Ask your accountant to give you a list of the information and records they will need for your tax return.

Is your paperwork personal or business related?

It will be the same each year (except for a few small budget changes) so once you have this list you can plan ahead for each year. To cut down on paper clutter only keep the paperwork you really need.

Top Tip 2 : Tools

To set up your system I recommend the following tools:

a) 1 magazine holder

b) 1 5 tab plastic pocket divider

c) 1 plastic binder wallet

d) 1 lever arch file

e) 1 receipt box and 12 envelopes

There are also tax pack tools that you can purchase labelled and ready to go.

Top Tip 3: Systems - How to use these tools

Magazine holder: Label your magazine holder with the tax year eg Tax Info 2014-2015

During the year place all tax related documents into this magazine holder.

The 5 tab plastic pocket divider and the plastic binder wallet go inside the magazine holder.

5 tab plastic pocket divider: label the tabs

- PAYG summaries
- Private medical & super
- Motor vehicle license, rego & repairs
- Insurance & dividends
- Misc

As you receive any of the information or paperwork relating to these categories, place them in the labelled area ready to hand over to your accountant each year. Easy, organised and your accountant will love you!

Plastic binder wallet: In here include all receipts and invoices for out of pocket medical expenses.

Towards the end of the financial year, put together a spread sheet including the following categories:

1. Name on invoice
2. Amount of claim
3. Amount received
4. Out of pocket/gap

You can also ask your private health insurer and Medicare for this information. Remember to ask your local chemist for a list of claims you have made through the year.

Check with your accountant what the threshold amount is for you to claim this.

Receipt box: Use a box to save your receipts for expense claims.

Include 12 labelled envelopes per month for the financial year July to June. You may wish to include separate envelopes or plastic pockets for specific claims eg Donations/ Dry Cleaning/ Petrol /Self Education/ Misc /Work related.

Lever arch folder: Label your lever arch folder "finances". Include all your bank statements for the current financial year in here. This comes in handy when you want to reference any interest claims over the financial year.

Top Tip 4: Schedule time

No amount of tools will ensure organisation without scheduled time to work with them. You will need to make time to get organised. Schedule a time in your diary every week to keep on top of your tax paperwork. Treat this scheduled time just as if it was an appointment with your doctor or dentist or dare I say your accountant!

There you go… why not get those tools and implement this system, I guarantee that you will find this year's tax time less taxing!

If you would like any assistance in setting this up or any other organising help please connect with me Sue Glasser Certified Organising Professional, Paper Flow Consultant & Workshop Presenter at info@paperclippo.com.au or call on 0402 109 007.

Don't leave it too late – we want to get on top of that tax paperwork ASAP.