Canny.

Part of Wilson Pateras

Tax Planning Guide

For Individuals

cannygroup.com.au

TAX PLANNING CONSIDERATIONS FOR INDIVIDUALS

As we approach 30 June 2026, now is an important time to review your position and consider strategies that may assist in legally minimising your overall tax.

HOME OFFICE EXPENSES

Where work has been performed from home, a tax deduction may be available for related expenses.

The ATO allows claims under the “Revised Fixed Rate Method” at a rate of $0.70 per work hour for the 2026 financial year. This rate covers most working-from-home expenses, provided a detailed record of hours worked is maintained.

Alternatively, the “Actual Cost” method may be used. Under this approach, all relevant invoices and receipts must be retained throughout the year to substantiate claims.

SUPERANNUATION CONTRIBUTIONS

While superannuation contributions are not always immediately accessible, they can play an important role in building long-term wealth and may also assist in reducing tax liability.

Understanding the contribution options available can help ensure these opportunities are effectively utilised prior to year-end.

Please note, this is tax planning guidance (not financial advice). If you would like to proceed with any strategy, we recommend speaking with a licensed financial adviser prior to implementation.

DEDUCTIBLE SUPER CAP OF $30,000

The tax-deductible superannuation contribution limit (or "cap") is $30,000 for all individuals under age 75. A work test must be satisfied for individuals aged over 67.

Consideration should be given to making the maximum deductible superannuation contribution prior to 30 June 2026. The benefit of this strategy is that superannuation contributions are taxed at rates between 15% and 30%, compared to typical personal income tax rates ranging from 32% to 47%.

CARRIED FORWARD CONTRIBUTIONS

Carry-forward rules allow any unused portion of concessional contribution caps to be utilised on a rolling five-year basis.

This means that where the full concessional contribution cap has not been used ($25,000 from 2019 to 2021, $27,500 from 2022 to 2024, and $30,000 from 2025 onwards), the unused portion may be carried forward and applied within five years.

Any unused amounts remaining after the five-year period will expire. **These rules apply to concessional contributions only; non-concessional contributions are subject to separate caps.**

Carry-forward concessional contributions are only available where the total superannuation balance is less than $500,000 on 30 June of the previous financial year.

Following the end of this financial year, any unused concessional contribution cap from the 2021 year will no longer be available.

SPOUSE SUPER CONTRIBUTIONS

Superannuation contributions may be made on behalf of a spouse (married or de facto), subject to eligibility criteria and fund acceptance. This is commonly referred to as contribution splitting.

This strategy may assist in building a spouse's retirement savings while also providing potential tax benefits.

A tax offset of up to $540 may be available where contributions of up to $3,000 are made on behalf of a spouse, provided their income is $37,000 per annum or less. The offset phases out for incomes between $37,000 and $40,000 per annum.

ADDITIONAL TAX FOR HIGH-INCOME EARNERS

Where income, including superannuation contributions, exceeds $250,000, an additional 15% tax applies to concessional contributions. This is referred to as Division 293 tax.

With contributions taxed at a maximum of 30% and investment earnings at a maximum of 15%, super remains significantly more tax-effective than the top marginal rate of 47% (including Medicare levy).

GOVERNMENT CO-CONTRIBUTION TO SUPER

Where an individual is on a lower income, earns at least 10% of total income from employment or carrying on a business, and makes a non-concessional contribution to superannuation, eligibility may arise for a Government co-contribution of up to $500.

For the 2026 financial year, the full co-contribution is available if a $1,000 contribution is made and income is $47,488 or less. A reduced co-contribution may apply where income is between $47,488 and $62,488 or where a lower contribution is made.

OWNERSHIP OF INVESTMENTS

Over the longer term, reviewing the ownership structure of investments can be an effective planning strategy. ***Any changes to ownership require careful consideration due to potential capital gains tax (CGT) and stamp duty implications. Professional advice should be obtained prior to implementing any changes.***

A family trust may provide flexibility in the annual distribution of income, including the ability to distribute up to $416 per year tax-free to children or grandchildren.

PROPERTY DEPRECIATION REPORT

For investment property owners, obtaining a depreciation report prepared by a qualified quantity surveyor may provide access to additional deductions relating to capital items and the building structure.

The cost of obtaining such a report is often offset by increased tax deductions, particularly in the first year.

MOTOR VEHICLE LOGBOOK

An accurate motor vehicle logbook should be maintained for a minimum period of 12 consecutive weeks, with the period commencing on or before 30 June 2026. Odometer readings should be recorded at 30 June, and all relevant motor vehicle receipts retained.

A logbook is generally valid for five years, provided there is no significant change in usage patterns.

Alternatively, a claim of up to 5,000 business kilometres may be made using the cents per kilometre method, which does not require a logbook.

SALARY SACRIFICE TO SUPERANNUATION

For individuals earning $45,000 or more, salary sacrificing into superannuation can be an effective strategy to reduce taxable income while increasing superannuation balances.

Redirecting pre-tax income into superannuation may provide meaningful tax savings, particularly for those on higher marginal tax rates or approaching retirement.

PREPAYMENT OF EXPENSES AND INTEREST

Investment-related expenses may be prepaid prior to 30 June 2026. Up to 12 months of interest on an investment loan can be prepaid and claimed as a deduction in the current financial year.

Other investment expenses, including rental property repairs, memberships, and subscriptions, may also be prepaid before year-end.

INSURANCE PREMIUMS

The ability to earn an income is often one of the most valuable financial assets. Income protection insurance can provide cover of up to 75% of income where an individual is unable to work due to illness or injury.

Premiums are generally tax deductible and may also be prepaid for up to 12 months to bring forward deductions into the current financial year.

WORK RELATED EXPENSES

All receipts for work-related expenses should be retained. These may include:

- Uniforms
- Training courses
- Educational materials

Such expenses may be tax deductible where they are directly related to employment.

REALISATION OF CAPITAL LOSSES

Where investments are underperforming, consideration may be given to realising capital losses prior to 30 June 2026.

These losses may be used to offset capital gains and reduce overall tax liability. Any unused losses may be carried forward to future income years.

DEFERRAL OF INVESTMENT INCOME & CAPITAL GAINS

Where appropriate, deferring investment income or the disposal of assets until after 30 June 2026 may be beneficial.

For tax purposes, it is generally the contract date, rather than the settlement date, that determines when a transaction occurs.

IMPORTANT INFORMATION

This content has been prepared by Wilson Pateras to further our commitment to proactive services and advice for our clients, by providing current information and events. Any advice is of a general nature only and does not take into account your personal objectives or financial situation. Before making any decision, you should consider your particular circumstances and whether the information is suitable to your needs including by seeking professional advice. You should also read any relevant disclosure documents. Whilst every effort has been made to verify the accuracy of this information, Wilson Pateras, its officers, employees and agents disclaim all liability, to the extent permissible by law, for any error, inaccuracy in, or omission from, the information contained above including any loss or damage suffered by any person directly or indirectly through relying on this information. Liability limited by a scheme approved under Professional Standards Legislation.

Last updated 22 April 2026

Canny.

Part of
Wilson Pateras

PERSONAL • BUSINESS • WEALTH

Thank You!

If you would like more information regarding our services, please contact us.

hello@cannygroup.com.au

cannygroup.com.au

(03) 5278 9500

Melbourne | Sydney | Bendigo | Geelong