

A TEN ONLINE MASTERCLASS

# Managing Tax Compliance: A One-Day Online Masterclass

Online - Tuesday 25 March 2025

Vic, NSW, ACT, Tas: 9:00am to 4.40pm

QLD: 8:00am to 3.40pm

SA: 8:30am to 4:10pm

NT: 7:30am to 3:10pm

WA: 6:00am to 1:40pm

- Trusts Under the Regulator's Microscope
- Division 7A: Are there any Ticking Time Bombs in your Client Base?
- Interest Deduction: Maximising the Tax Benefits in a High-rate Environment
- Tax Implications for Small-Scale Land Subdivisions
- Margin Scheme Benefits to be Had, But There's Not a Lot of Margin for Error
- GST when Building to Rent and Not to Sell



Leaders in online CPD for Lawyers & Accountants

9.00 – 9.10am	<b>Introduction and Welcome</b>  <b>MORNING THEME: Trusts and Companies Under the Tax Lens</b>  <i>Chair: Stephen Holmes, Partner, WMS Advisory, Gold Coast, Qld</i>
9.10 – 10.00am	<b>Session 1: Trusts Under the Regulator’s Microscope</b>  Judging by the extent of ATO guidance material released in recent years, it would be fair to say that the ATO is keeping more than a watchful eye on the use of trusts. At the same time, practitioners have been kept more than busy conveying the issues attracting the ATO's attention onto, at times, unsuspecting trustees. This session delves into some of the recent topical tax issues involving trusts, including: <ul style="list-style-type: none"><li>• How and why family trust distribution tax is on the rise?</li><li>• Has the dust now settled since the ATO’s sec. 100A guidance material was finalised during 2022?<ul style="list-style-type: none"><li>○ Identifying exclusions under “ordinary family or commercial dealing”</li><li>○ Dealing with distributions that involve adult children</li><li>○ Consequences of falling foul of section 100A</li></ul></li><li>• Why sec. 99B ITAA 1936 is catching advisers off guard:<ul style="list-style-type: none"><li>○ What type of income has the potential to attract section 99B</li><li>○ The tax implications if section 99B applies</li><li>○ How do the rules apply to foreign deceased estates</li><li>○ Strategies to reduce the risks</li><li>○ Unpacking the ATO’s recent draft guidelines</li></ul></li><li>• Practical case studies</li></ul> <i>Speaker: David Hughes, Partner, McCullough Robertson, Brisbane, Qld</i>
9.55 – 10.10am	<b>Questions and Discussion</b>



10.10 – 11.00am

## Session 2: Division 7A: Are There Any Ticking Time Bombs in Your Client Base?

The ATO has been active in recent times in getting the message out there that Division 7A is proving to be a major cause of concern for them, with compliance levels not at a standard they would like to see. This session takes a look at the main issues attracting the ATO's attention, along with strategies to assist with defusing any potential adverse outcomes, including:

- Arrangements not included in the financial statements that are attracting the ATO's attention
- How the higher interest rate environment is impacting on Division 7A compliance, including:
  - determining interest deductibility
  - strategies to counter.
- Has the Bendel case (*Bendel v FCT [2023] AATA 3074*) changed the treatment for a Division 7A unpaid present entitlement?
- How the ATO is applying Section 109R ITAA 1936 to deny loan repayments reducing a Division 7A loan
- Can amendment time limits assist with overlooked Division 7A issues?
- Can restructuring solve a Division 7A problem? (*Ierna v C of T [2024] FCA 592*)
- How generous is the Commissioner being with applying his discretion to disregard a Division 7A dividend or allow the deemed dividend to be franked? (Sec. 109RB ITAA 1936; TR 2010/8; PS LA 2011/29)
- How will uncovering non-addressed Division 7A issues fare in relation to the Tax Agent Services Act 2009 breach reporting obligations for:
  - breach self-reporting
  - breach reporting of another tax practitioner when taking on a new client with unattended Division 7A issues

**Speaker: Linda Tapiolas, Partner, Cooper Grace Ward, Brisbane, Qld**

11.00 – 11.10am

**Questions and Discussion**

11.10 – 11.30am

**Morning Break**



11.30am –  
12.20pm

### Session 3: Interest Deduction: Maximising Tax Benefits in a High-rate Environment

In a higher interest rate environment, the value of interest incurred being eligible as a tax deduction has gained more importance. This session explores various situations where the claiming of interest may not be all that straightforward, including:

- When interest incurred on loans to trusts are tax deductible (TD 2018/9)
- Interest on investment properties, including:
  - when property in joint names and loan in name of one spouse only
  - when property in one name and loan in joint names
  - apportionment methods when loan funds mixed with private borrowings using line of credit and redraw facilities (TR 2000/2)
- The tax treatment of claiming interest:
  - for borrowed funds on lent to an associated company interest free (*IT 2606; Economides v FCT ATC 2353*)
  - on acquiring vacant land (Sec. 26-102 ITAA 1997; TR 2023/3)
  - on the commencement and cessation of a business
- When Part IVA could apply to arrangements maximising interest claims for tax deductible purposes over non-deductible private purposes (TD 2012/1)
- Practical examples

**Speaker:** *Philip Diviny, Principal, Madgwicks Lawyers, Melbourne, Vic*

12.20 – 12.30pm

**Questions and Discussion**

12.30 – 1.20pm

**Lunch Break**



	<b>AFTERNOON THEME: Taxing Issues in Property</b>
1.20pm – 2.10pm	<p><b>Session 4: Tax Implications for Small-Scale Land Subdivisions</b></p> <p>One of the trickier issues that can come up in practice is when a client seeks advice on a small-scale property subdivision. Often the advice is sought by someone with no previous property development experience, who has just happened to find that as landowners, they can reap greater rewards if further development to their property is undertaken. This session looks into the issues, including:</p> <ul style="list-style-type: none"><li>• How the ATO's guidance material addresses the issues (QC 71028)</li><li>• What extent of development activity can turn a mere realisation of a capital asset into a profit-making venture?</li><li>• When will GST be applicable to a small-scale land subdivision?</li><li>• Recent private binding rulings addressing the tax implications for small scale subdivisions (incl. PBRs 5010073888407 &amp; 1052196215679)</li><li>• Subdividing the land the family home is situated on to gift the subdivided rear yard to a child to build their own home:<ul style="list-style-type: none"><li>○ Are there any income tax issues?</li><li>○ Are there any state and territory tax and duty issues?</li></ul></li><li>• Knockdown/rebuild of family home as part of a subdivision - is section 118-150(5) an issue if original home owned for more than four years?</li><li>• Practical examples, including from ATO's "Examples of tax consequences on sales of land including small scale land subdivision".</li></ul> <p><b>Speaker: Dung Lam, Principal, West Garbutt, Sydney, NSW</b></p>
2.10 – 2.20pm	<b>Questions and Discussion</b>



2.20pm – 3.10pm

### Session 5: Margin Scheme Benefits to be Had, But There's Not a Lot of Margin for Error

Correct use of the margin scheme can provide benefits for both buyer and seller, however the scheme can be complex to apply and getting it wrong can lead to an unravelling of the anticipated benefits. This session delves into some of the thornier issues that are surfacing in practice, including:

- The eligibility requirements to use the margin scheme, and when you can't use the scheme
- Where calculation methods are falling short in practice (*incl. WYPF v C of T (Taxation) 2021 AATA 3050*)
- When the seller needs to go back and determine the previous property owner's eligibility to use the margin scheme
- How the timing of GST registration for the seller impacts on their margin scheme result?
- The impact of the margin scheme with the GST at settlement obligations, including:
  - the process to follow
  - the cash flow implications
- How to apply the margin scheme to amalgamated land sold under a single contract (*Landcom v C of T [2022] FCA 510*)
- Practical examples

**Speaker: Leanne Connor, Director, WGC Business Advisors, Melbourne, Vic**

3.10 – 3.20pm

**Questions and Discussion**

3.20 – 3.40pm

**Afternoon Break**



3.40 – 4.30pm

### Session 6: GST When Building to Rent and Not to Sell

With the Federal Government jumping on board with the various states and territories, proposing incentives to assist with increasing the housing supply for certain build-to-rent (BTR) projects, now is a good time to review the GST implications for such projects. This session is designed to do just that, including:

- The GST treatment for BTR construction projects involving:
  - residential premises
  - commercial residential premises
  - commercial premises
- The GST treatment of leasing BTR completed projects for:
  - residential premises
  - commercial residential premises
  - commercial premises
- Dealing with GST registration requirements, including:
  - when to register and when you may decide not to
  - when cancelling registration may be prudent and when it may not be
  - the GST impact of registering and cancelling for BTR projects
- How the 5-year rule can impact on BTR projects
- Dealing with GST implications for a property development project to sell one property on completion and retain other for rental
- Dealing with the GST impact of a change of mind/intention from renting to selling
- When the sale proceeds of a BTR property aren't required to be included in the GST turnover test (GSTR 2001/7)
- Practical examples

**Speaker: Matthew Cridland, Partner, K&L Gates, Sydney, NSW**

4.30 – 4.40pm

### Questions and Discussion

4.40pm

### Masterclass Close



## GENERAL INFORMATION

### Masterclass Registration Fee

The registration fee includes attendance at the live online masterclass.

### Masterclass Papers

Access to the papers and PowerPoints will be available online to all delegates in the lead-up to the masterclass (as they become available). The materials will be available in .pdf format for easy download.

### CPD

Accountants: 6 CPD hours

Lawyers: 6 CPD units/points (substantive law)

#### CPD

#### Certificate

All delegates will receive a CPD certificate confirming registration and the CPD hours earned





## Conference Terms & Conditions

1. In these terms,
  - a. "TEN" means Television Education Network Pty Ltd t/as TEN The Education Network.
  - b. "you" means the person who has registered to attend or the person or persons who attend(s) the conference (if different from the person registered)
  - c. "conference" means the live face to face or live or recorded online educational event or which you have registered (by whatever name called and includes conferences, masterclasses, webinars and webinar series).
  - d. "live conference" means a conference other than a recorded conference.
  - e. "recorded conference" means a recording of a presentation or a series of presentations which you can view at a time of your choosing
  - f. "online" in relation to a conference means a conference you attend by viewing the conference over the Internet
  - g. "face to face" in relation to a conference means a conference held in an external venue where you view the conference in the conference room

### *General – all conferences*

2. TEN may change the program for a live conference as described in the brochure you have downloaded or in the TEN website without notice to you in any manner and at any time.
3. The information and opinions of presenters at the conference are not necessarily those of TEN and are in the nature of general information and not professional advice and you rely on these at their own risk. TEN is not responsible for the accuracy of the information or the correctness of the opinions offered by presenters at the conference.
4. TEN is not responsible for any financial or other losses incurred by you or for injury or damage to persons or property which occur at or in connection with the conference.

### *Conversion of face to face conferences to live online conferences*

5. If the conference is being held face to face or face to face AND online, TEN reserves the right to convert the conference on no less than 24 hours' notice to a solely online conference or to cancel the conference or to postpone the conference to a later date if TEN determines that it is unable to hold the conference face to face on the date/s advertised for any one or more of the following reasons:
  - a. State or national border closures
  - b. Restrictions on movement of persons imposed on persons by any responsible authority in Australia
  - c. The inability or refusal of one or more presenters or TEN team members to attend the conference to present
  - d. In its opinion, it is unsafe to hold the conference face to face for any reason.
6. If TEN converts the conference from face to face only or to face to face and online only or postpones the conference or cancels the conference, TEN will not be responsible for any loss or damage you suffer as a result including any travel costs relating to the conference.
7. If TEN converts the conference from face to face to online or postpones the conference and as a result you are not able to attend you will be entitled to a full refund of registration fee paid or a credit equal to that fee to use for a future purchase of a TEN product.

### *Copyright*

8. The copyright in materials prepared by presenters at a conference and made available to you by TEN is and remains the property of each presenter.
9. You are entitled to use those materials for private study and research only.
10. The copyright in the live stream and in any recording of a conference offered online is the property of TEN.
11. You are entitled to watch a conference for private study and research only.

### *Conference cancellation by TEN – all conferences*

12. TEN reserves the right to cancel a conference for any reason.
13. If TEN cancels the conference, you will be entitled either to a refund of the registration fee you have paid or to a credit equal to that fee which you can use to purchase another TEN product within 12 months of the first day of the cancelled conference.

### *Cancellation by You – all conferences*

14. Refunds for registration cancellation by you other than under Clause 6(b):
  - a. If notice of cancellation is actually received by TEN more than 10 days before the first day on which the conference is to be held, 85% of the registration fee you have paid
  - b. Otherwise, no refund.

### *Governing Law – all conferences*

15. The agreement between TEN and you is governed by the laws in force in the State of Victoria and the courts and tribunals of that State have sole jurisdiction to determine disputes arising in relation to it.



# Registration Form

**REGISTRATION IS SIMPLE:** complete the form below and fax or post your registration to us or register online.  
*Television Education Network Pty Ltd* trading as **TEN The Education Network** (ABN 19 052 319 365)  
**Address:** Level 1, 90 William Street, Melbourne, Vic 3000      **Phone** (03) 8601 7700  
**Enquiries:** Contact our Event Manager, Jenna Pickrell ([jenna@tved.net.au](mailto:jenna@tved.net.au)) – phone: 03 8601 7729  
Register online: [www.tved.net.au](http://www.tved.net.au) – go to Masterclasses

Please register me for the **Managing Tax Compliance: One-day Online Masterclass** to be held on Tuesday 25 March 2025. [code: SXTMAR25]

- Early Bird Registration** – for registrations paid on or before **21 February 2025**- **\$770** (\$700 + \$70 GST)
- Discount Registration** – for registrations paid on or before **7 March 2025** - **\$990** (\$900 + \$90 GST)
- Full Price Registration** – **\$1100** (\$1000 + \$100 GST)

## NAME & ADDRESS DETAILS

Mr/Mrs/Miss/Ms (circle appropriate) Name: .....

Position in Company/Firm: .....

Company/Firm: .....

Postal Address: .....

..... State..... Postcode: .....

Telephone: (.....)..... Mobile: (.....) .....

Email: .....

## PAYMENT DETAILS (Note: This form will be a Tax Invoice for GST when you make payment)

I enclose a cheque for \$..... payable to: **Television Education Network Pty Ltd** or

Please debit my:  **Amex**       **Mastercard**       **Visa**

Expiry Date ...../.....

Name on Card: \_\_\_\_\_ Signature: \_\_\_\_\_

