

In this edition, we cover Australian tax and accounting updates, important dates, business growth tips, and strategies to avoid ATO penalties to help your business stay compliant and thrive.



How to Avoid ATO Penalties

LAIBA TARIQ

Avoiding penalties from the Australian Taxation Office starts with timely lodgement and payment of all tax obligations, including income tax returns, BAS, PAYG withholding, and super contributions. Maintain accurate and up-to-date financial records to ensure correct reporting. Reconcile accounts regularly and review payroll to avoid errors. Set calendar reminders for due dates and monitor ATO correspondence carefully. If you cannot pay on time, contact the ATO early to arrange a payment plan and reduce interest exposure.



Strong businesses aren't built by chance, they're built on accurate numbers, proactive tax planning, and timely compliance.



Physical Disability Awareness Day
February
Sunday 01

Promoting inclusion and equal opportunities for all.

National Apology Anniversary
February
Friday 13

Honoring resilience, healing, and reconciliation

World Day of Social Justice
February
Friday 20

Celebrating connection, community, and shared humanity.

Business Growth Tips for 2026

SARAH ZAHID

Sustainable business growth starts with strong financial foundations. Maintain accurate bookkeeping and review monthly financial reports to understand profitability and cash flow trends. Implement proactive tax planning to avoid surprises and legally minimise liabilities. Reassess pricing strategies to protect margins against inflation and rising operating costs. Invest in technology such as cloud accounting software to improve efficiency and decision-making. Most importantly, conduct quarterly strategy meetings with your accountant to identify growth opportunities, manage risks, and strengthen long-term financial stability.



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Key Australian Tax & Accounting Industry Updates – 2026

SARAH ZAHID

Australia's tax landscape continues to shift with key developments advisers and businesses need to know. From 1 July 2025, general interest charges (GIC) and shortfall interest charges (SIC) imposed by the Australian Taxation Office will no longer be tax deductible, increasing the after-tax cost of overdue liabilities and emphasising timely lodgement and payment.

Meanwhile, tax authorities are preparing for expanded reporting obligations in 2026, including new requirements for large super funds and collective investment vehicles to complete Reportable Tax Position schedules, adding compliance complexity for larger tax-paying entities.



Finally, updated guidance for multinational groups clarifies application of Australia's Pillar Two global minimum tax rules, reinforcing the importance of robust tax compliance planning.



SMSF Compliance: Key Responsibilities for Trustees

LAIBA TARIQ

Self-Managed Super Funds (SMSFs) require strict compliance to avoid penalties. Trustees must lodge annual returns on time, maintain accurate records of contributions, income, and investments, and follow rules like the sole purpose test and borrowing restrictions. Regular audits by an approved SMSF auditor and staying updated on legislative changes are essential. Proactive management ensures regulatory compliance, protects members' retirement savings, and supports long-term fund growth.



Avoid These Common Tax Deduction Mistakes

LAIBA TARIQ

Many taxpayers make errors that can trigger audits or penalties. Common mistakes include claiming personal expenses as business deductions, overestimating work-related costs, misclassifying items, or failing to keep proper records and receipts. Others include missing eligible deductions or incorrectly reporting fringe benefits.

Staying organised, keeping accurate documentation, and consulting a tax professional ensures deductions are valid, maximises tax savings, and keeps you fully compliant with Australian Taxation Office rules.

February 2026 Registered Agent Lodgment Due Dates

21 February:

- Lodge & pay Dec 2025 and Jan 2026 monthly business activity statements (GST monthly clients).

28 February:

- Lodge tax returns for large/medium entities, new registrants, and consolidated groups. Payments due for companies & super funds.
- SMSF annual return for new registrants (unless advised otherwise).
- Quarter 2, 2025–26 activity statements and instalment notices.
- Annual GST return if no other tax return obligation.
- Superannuation guarantee charge statement if contributions were insufficient.

