



## ***Tax Return Tips for Under 21s***

*Tax season is always stressful, but filing taxes for the first time is even more daunting. Especially so if you haven't file or a tax return before. What if you forget to file a document? Or completely miss the deadline? ITP The Income Tax Professionals shares expert tips to help maximise tax return for students and under 21. Here are a few income tax return tips you should know before lodging a tax return:*

### **Do you know what the tax free threshold is?**

Did you know that Australian resident taxpayers have the first \$18,200 of their income tax-free? This is known as the tax-free threshold. This means that if you earn less than \$18,200 collectively, you won't have to pay tax at all.

This is important to know as it may mean that a full tax return is not required to be lodged. If a return is not required to be lodged, the ATO must still be notified that a return is not necessary. This will prevent the ATO from requesting a return for that year in the future.

If you have earned less than the \$18,200 threshold but your employer has deducted tax from your wages then you must lodge a tax return. In this case you would receive a refund of all your tax paid.

### **What do you do when you start a new job?**

Starting a new job requires you to fill out a Tax File Number Declaration form. This means that if you have more than one job, and your overall income exceeds the \$18,200 amount, you can only claim the tax-free threshold on one payer, usually the higher paying one. Attempting to claim the tax free threshold for both jobs will result in a tax debt when lodging your tax return.

### **Do you know how to lodge your tax return?**

Completing your tax return the first time can be confusing. While you can find tax return tips with a simple search, it's best to consult The Income Tax Professionals. We can help you determine what you need to lodge as well as what you can and cannot claim to help maximise tax return for students.

Having multiple jobs can make lodging a tax return quite confusing. Problems can occur, even if both you and your employer do the right thing. This is because your first job often attracts the tax-free threshold and your second job is taxed following the progressive rates stated by the Australian Taxation Office. Failure to report all your income properly can result in several issues, so it's best to consult a professional.

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## What If I Can't Pay?

Avoiding the ATO is not a good idea, as it can result in penalties and unwanted fines. No need to worry, however, as there are things you can do when you don't have the money to pay your tax bill come tax season. For one, our expert tax agents at ITP The Income Tax Professionals can defer your tax return until an extended date. All you need to do is finalise your tax return and we will hold it for lodgement for several months after the normal October deadline and apply for the extension of time with the ATO.

## Why Work With The Income Tax Professionals

We may take the stress and confusion out of the tax season, but you can also count on our expertise the rest of the year. After helping you lodge your tax return, we can help you with student-specific situations like working holidays, residency issues and in understanding the implications and rules of part-time work. We can give you insightful tax return tips for students while maximising your return. With our expert and personalised service, we can ensure that you get all the deductions and benefits you deserve.

ITP The Income Tax Professionals can help you maximise your personal income tax return. And because we understand how difficult it can be for students, we're offering our professional services at a great discount! Drop by your nearest ITP office today.

*ITP The Income Tax Professionals are more than tax agents. They have been helping Australian individuals and businesses with their business accounting and advice for 50 years and offer a wealth of knowledge. Speak to a Professional today and see how your business can be more profitable.*



**THE INCOME TAX PROFESSIONALS**

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