

Practice Workpapers Series

Section K: CHECKLISTS – INCOME TAX

K11: Non Commercial Losses Checklist

How to use this document:
This checklist is designed to assist in the determination and assessment of tax related issues and information required.

Disclaimer

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NON COMMERCIAL LOSSES CHECKLIST

Name of Client:

Tax File Number:

Australian Business Number (ABN):

Note: Only complete this checklist if you are an individual or party to a partnership and carry on a business and have incurred losses on any business activity in the past or current year.

The eligibility for carrying forward non commercial losses is dependent upon the relationship between the taxpayers share of business losses and other sources of income for the same tax year. This can only be determined once final taxable income is determined and the taxpayers overall position has been assessed.

	Y	N	N/A
<ul style="list-style-type: none"> How many business activities does the taxpayer operate? <p>Please give more details as to the nature thereof.</p>			
<ul style="list-style-type: none"> For each business activity, have losses from the business activities arisen in the prior income tax year? <p>If so, please provide a copy of your previous income tax return.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Is any of your business activities a primary production business (farming) or professional arts business? <p>If so, please give further details.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Please indicate other sources of income? (eg: salaries and wages, dividends, etc) 			
<ul style="list-style-type: none"> Is your adjustable taxable income more than \$250,000? (includes reportable fringe benefits, reportable superannuation, add back investment losses) 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Does the business activity produce more than \$20,000 assessable income in the year? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Has the business activity made a taxable profit in three out of the last five years? <p>If so, please provide further details.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Does real property used in the business activity have a cost or market value in excess of \$500,000? <p>If so, please provide further details.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Does other assets used in the business activity have a cost or market value in excess of \$100,000? <p>If so, please provide further details.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Has the taxpayer applied to the Commissioner of Taxation to exercise his discretion? <p>Please provide further details.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Has the taxpayer sold or considering selling any business during the year or in the near future? <p>If so, please provide further details.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>