

NTAA's Online Primary Production Seminar

Cost of Seminar

Members

- **\$ 295** (incl. GST) – Includes PDF and hard copy of the notes
- **\$ 275** (incl. GST) – PDF copy of the notes only

Non-Members

- **\$ 395** (incl. GST) – Includes PDF and hard copy of the notes
- **\$ 375** (incl. GST) – PDF copy of the notes only

Online Duration: 3.5 Hours

Detailed List of Topics Covered

What is a Primary Production Business?

Identifying a primary production business

- What are the KEY indicators for an activity to be considered a business, rather than a hobby?
- What activities constitute primary production?
- What tax concessions are available for taxpayers carrying on a primary production business?
- How do the non-commercial loss ('NCL') rules affect individuals carrying on a primary production business?
- What exceptions to the NCL rules apply for primary producers?

Income Issues for Farmers

When is income 'derived' by a primary producer?

- Should farmers account for income on a Cash or Accruals basis?
- Latest ATO guidance on recognising income for specific primary producers
- Are grants and subsidies received from the Government assessable income?

When and how primary producers can delay paying tax on certain income amounts

- Deferring or spreading the profit on the disposal or death of livestock
- What is a 'double wool clip' and when is it subject to income tax?
- When can farmers defer paying tax on insurance proceeds?

Trading stock issues for primary producers

- What items are considered trading stock of a primary producer?
- Understanding livestock and when it is treated as trading stock
- When is the cost of trading stock deductible?
- Special trading stock valuation rules for primary producers
- How to value the 'natural increase' of livestock

Deduction Issues for Primary Producers

General deductions for primary producers

- Common deductions claimed by primary producers
- When can primary producers commence claiming expenses?

Claiming deductions for SBE primary producers

- Increase in SBE turnover threshold means MORE primary producers will qualify for tax concessions
- When will farmers be eligible for the \$20,000 immediate deduction for depreciating assets?

Tax concessions available for primary production depreciating assets

- Extended meaning of plant results in larger depreciation claims for farmers
- Calculate the accelerated depreciation deductions available for certain primary production assets (e.g., water facilities and fencing)
- NTAA checklist highlights the tax treatment of common expenses incurred by primary producers

More topics listed over the page

What do you receive?

You will receive comprehensive notes and 3.5 hours of CPD.

You will have 30 days to watch this seminar, but the timer will not start until you commence the video.

Primary Production Seminar

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Special Issues for Primary Producers

Income averaging for primary producers

- When are primary producers eligible for income tax averaging?
- What type of income affects the averaging calculation?
- Are primary producers able to 'opt out' of averaging?
- Detailed example of calculating the averaging adjustment

Farm Management Deposits (FMDs)

- What are FMDs and what benefits do they offer?
- Eligibility requirements for claiming FMD deductions
- Maximum deduction available under FMD scheme increased by recent changes
- **NEW** rules allow FMD offset accounts to reduce interest on loans

Employer obligations

- What happens when a primary producer employs family members?
- **NEW** rules increase administrative burden when employing working holiday makers
- What FBT exemptions and concessions are available for primary producer employers?

GST issues for primary producers

- What supplies are subject to GST?
- GST implications of selling farmland
- What GST exemptions and concessions are available when farmland or a farming business is sold?

Profit à prendre

- What is a profit à prendre and how is it treated for tax purposes?
- What is the difference between a profit à prendre and a sale of goods?

Compensation payments

- Are compensation payments treated as revenue or capital?
- When do compensation receipts reduce the cost base of farmland?

Fuel tax credits ('FTCs')

- When are primary producers eligible to claim FTCs?
- How are FTCs calculated?

Selling the Farm

Farmland as a capital or revenue asset

- What factors indicate farmland is held as trading stock?
- What is the CGT treatment of land that commences to be held as trading stock?
- When is the development of farmland considered to be a sale of a revenue asset?
- How to calculate the net profit and capital gain on farmland sold as a revenue asset – Double jeopardy rules

CGT issues involved in the disposal of farmland

- When can CGT apply to the sale of pre-CGT farmland?
- How does the main residence exemption apply to farmland?
- CGT treatment of water entitlements and carbon sequestration rights
- How do the **NEW** foreign resident capital gains withholding rules affect ALL primary producers selling farmland?

Applying the CGT small business concessions to the disposal of farmland

- Eligibility condition for applying the CGT small business concessions ('SBCs')
- Detailed case studies explain how primary producers can make the most of the SBCs

Depreciating assets sold with the farmland

- How SBEs and non-SBEs deal with the disposal of depreciating assets
- When will the sale of a depreciating asset be subject to CGT?
- NTAA guidelines on how sale proceeds are apportioned amongst assets when a contract is silent

Sale of trading stock with the farmland

- When are crops and trees considered trading stock of a primary producer?
- Special valuation rules for trading stock disposed of as part of the land sale

Tax Structures for Family Farms

Selecting a suitable structure to operate the family farm

- What factors should be considered in selecting the best farming structure?
- Summary of Advantages and Disadvantages of popular entities

Restructuring a primary production business

- What taxation consequences arise when a farming business is restructured?
- Relief available to minimise the immediate tax consequences of a restructure

SMSFs and the family farm

- What are the advantages of holding farmland in an SMSF?
- Options available to transfer farmland into an SMSF
- Recent changes to superannuation contributions caps increase difficulty of transferring farmland into an SMSF
- How to ensure farmland acquired and held by an SMSF does not breach the super investment rules

Primary Production Online Seminar Registration

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