



The **EOFY jobs** that might matter more than you think

As the end of the financial year (EOFY) approaches, investors often focus on topping up super, maximising deductions, prepaying interest or reviewing portfolios. While these are all valuable activities, there are some less obvious tasks that can have a big impact on your tax position, wealth preservation and long-term planning outcomes.

Here are five areas that investors can often miss in EOFY planning.

1. Capital gains in volatile markets

Investment markets have been volatile in recent years, with rapid movements in equities, property and fixed income. When investors buy and sell during choppy market periods, capital gains tax (CGT) considerations become even more important.ⁱ

So, the EOFY is the ideal time to assess whether:

You should realise gains this year or defer them – The decision can hinge on:

- Expected income this year vs next year
- Whether you qualify for the 50 per cent CGT discount
- Available capital losses

- Investment timeframes and risk appetite

You have unused capital losses –

Losses can be used to offset realised gains, but they cannot be used against ordinary income. Some investors may find that realising strategic gains before 30 June allows them to “unlock” unused losses that have been sitting dormant.

Be aware of “wash sale” rules. Some investors plan to sell an asset to realise a loss and then quickly buy it back. The ATO calls this a wash sale and may deny the loss.ⁱⁱ

2. Superannuation retribution strategies

A super retribution strategy is sometimes overlooked because it requires coordination between pension payments, contributions and tax components. But, when used

appropriately, it may significantly reduce future tax for beneficiaries and increase flexibility in estate planning.ⁱⁱⁱ

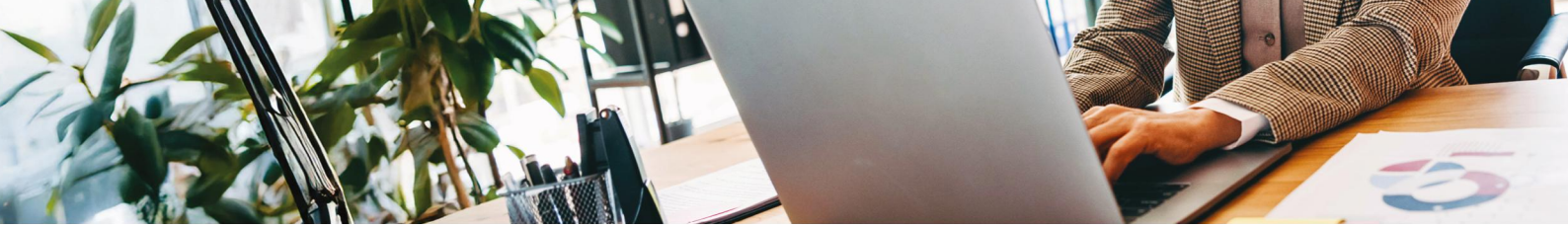
This strategy usually involves:

1. Withdrawing a portion of your super (usually from the tax free and taxable components proportionally), then
2. Recontributing those funds back into super as a non-concessional contribution (if you're eligible).

The result is that more of your balance becomes tax free, which can reduce or eliminate the “death benefits tax” that applies when super passes to non-dependent beneficiaries, such as adult-children.^{iv}

EOFY is a good time to consider recontributions because:

- Contribution caps reset on 1 July
- Withdrawals need to be timed alongside pension minimums
- Your age, work status and total super balance (TSB) limit your contribution options
- Large transfers may benefit from splitting across financial years



It's not a strategy for everyone, but for retirees or those preparing for retirement, it may produce long-term savings.

3. Bringing forward deductions and deferring income

While prepaying expenses and deferring income is a well-known EOFY strategy, it may not be successful for everyone, so check carefully that it's useful for you.

Bringing forward deductions – You may be able to prepay, interest on investment loans, income protection premiums, ongoing advisory fees, and professional subscriptions. But if you're approaching income thresholds (such as Medicare Levy Surcharge minimums, private health insurance rebates or HECS/HELP repayment bands) it's important to calculate whether prepayments will actually deliver you a benefit.

Deferring income – Small businesses using cash accounting may be able to defer invoicing until July and investors might choose to delay receiving distributions or bonuses. But don't forget that deferring income may affect borrowing capacity or government payments.

4. Managing Division 7A loans

Division 7A can catch business owners off guard at EOFY. These rules apply when a private company lends money, pays expenses or provides assets to shareholders or their associates. If not handled correctly, the ATO may treat the payment as an unfranked dividend, resulting in significant unexpected tax.^v

To stay on top of your Division 7A obligations:

Confirm all loans are documented –

A written Division 7A loan agreement must be in place by the company's tax return deadline. Without it, the full outstanding balance may be treated as a dividend.

Check minimum yearly repayments –

Each year, borrowers must make minimum repayments of principal and interest and must be made in cash.

Consider whether to repay, refinance or restructure –

Fully repaying a loan before EOFY may be the most tax efficient option. Or refinancing through a complying loan or restructuring the company's finances may provide greater flexibility.

Don't forget about company-paid personal expenses –

Payments for personal use, such as private travel, home expenses or personal assets, may sometimes also fall under Division 7A.

A well-timed review can prevent unintended tax consequences and keep your structure compliant.

5. Reviewing your records

Another often missed EOFY task is checking that your records and substantiation are complete before preparing your tax return.

The ATO is increasing its use of data matching programs, so having accurate documentation is essential. This includes keeping receipts for deductible expenses and retaining statements for managed funds and other investments.

EOFY planning is about much more than topping up super or gathering receipts. Hidden traps like CGT and Division 7A timing can create unnecessary tax if ignored, while proactive strategies such as recontributions can deliver long-term estate planning benefits.

By taking a structured approach, you can ensure every part of your financial picture is working together, and no opportunity is missed. We're here to help. Please give us a call.

i <https://www.ato.gov.au/individuals-and-families/investments-and-assets/capital-gains-tax>

ii <https://www.ato.gov.au/media-centre/wash-sales-the-ato-is-cleaning-up-dirty-laundry>

iii <https://www.superguide.com.au/super-booster/super-re-contribution-strategy>

iv <https://www.ato.gov.au/tax-and-super-professionals/for-superannuation-professionals/apra-regulated-funds/paying-benefits/paying-superannuation-death-benefits>

v <https://www.ato.gov.au/businesses-and-organisations/corporate-tax-measures-and-assurance/private-company-benefits-division-7a-dividends/in-detail/division-7a-loans>

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