

When are personal tax returns due?

October 26, 2016

by Jean-Marc Raffaut, Director of JMR Partners



When are individual 2015/16 tax returns due? Common belief among many taxpayers is that the due date is 31st of October 2016. The answer is “It Depends!!”.

Due to the complexity of Australia’s tax system, the answer depends on a few factors, but here are some of the key points to be aware of:

If you are lodging directly with the ATO:

If you prepare your own tax return, then it is due for lodgement with the Australian Taxation Office by 31 October 2016. It makes no difference if the tax return is lodged in a paper format or electronically through MyTax or similar web based programs.

If the tax return is prepared correctly and is processed by the ATO without any adjustments, then you will likely receive your Notice of Assessment and tax refund between two to four weeks from when the tax return was lodged.

If you have a tax liability, the ATO will issue a Notice of Assessment and this will provide a due date for payment. Generally, if you have lodged your tax return 31st October 2016, then you can expect that the tax payable date will be 21 November 2016.

If you lodge via an Accountant (who is a Registered Tax Agent)

If your accountant is lodging your tax return on your behalf then you may be eligible to the extension program of your tax agent. This will allow the tax agent to lodge your return any time up to 31st May 2017.

However, most individual tax returns will be due for lodgement by 15th May 2017, which is almost an entire year after 30 June 2016. Please note that further extensions can be requested from the ATO if the client has reasonable grounds for not meeting lodgement obligations.

Some individual tax returns will however fall due on 21st March 2017. This applies to those who have tax liabilities in excess of \$20,000 for the 2015/16 tax year. This date generally doesn't apply to tax payers whose primary earnings are from wages and salaries where tax is withheld throughout the year, but it applies to people that have substantial other income (including investment and business income) where tax is not taken out during the year.

The exact due date for lodgement can be confirmed with either the ATO or your tax agent. These extensions will vary for each individual and is reliant on a good lodgement history, in past years, with the ATO.

In terms of refunds and payments ...

- Refunds tend to come through very quickly when tax returns are lodged by Accountants, sometimes it can literally be just days after the electronic lodgement of the return. The ATO's guidelines advise that refunds are normally issued 2 weeks after lodgement.
- Payment dates for tax due will vary. Generally, the due date will be 21st March 2017, and more often than not it is not due until 15 May 2017.

BUT, if you have a poor lodgement history with the ATO then you may not have access to the lodgement extension program and your tax return will be due for lodgment on 31st October 2016 and if you are not fortunate enough to receive a refund and you have to pay taxes to the ATO then payment is due on this same date.

JMR Partners can access the full range of extensions for most of our clients and can advise of your lodgement due date.

If you have any queries regarding the above matters, please do not hesitate to contact me on (03) 9088 6420 or via email at j.raffaut@jmrpartners.com.au