WealthDesign FP

June Newsletter

Capital Gains Tax?

Capital Gains Tax! Three words that spike reactions varying from confusion, dread, or just plain indifference. So why don't we walk through what it is, the changes made to Capital Gains Tax in the latest budget, and how these changes may affect you. What is Capital Gains Tax? I'm so glad you asked. As the name implies, Capital Gains Tax is "The tax you pay on profits from disposing of assets, including investments, such as property, shares, and crypto assets... It is a part of your income tax, not a separate tax" (Australian Tax Office, 2025). In short, any profits you make from the sale or disposing of assets needs to be taken into account when it comes time to declare taxes. In the latest budget, changes to Capital Gains Tax have been made, which apply from the 1st of July 2027 to gains maid after that date. Today, we'll be going through these changes, what they mean for you, how and if they affect you, as well as how to prepare for the new financial year to make the most of the changes.

Big Changes to CGT

Before the changes, time was that a 50% discount on Capital Gains Tax was the standard (for individuals and trusts). Come the 1st of July, and and overhaul of the discount system will be implemented.

This new discount on Capital Gains Tax looks like this: a minimum 30% tax on capital gains will be applied, and a discount informed by inflation will take the original discount's place. This marks one of the biggest changes in Capital Gains Tax, however the change comes as most Australians are feeling the ice cold hand of inflation looming over the. This discount is subject to change over legislation over the coming year.

Contributions Cap

Changes to the Superannuation Contribution Cap have also been made, affective from the 30th of June 2026. The concessional contribution cap will go from $30K per annum to $32.5K per annum. Non-Concessional Contribution cap will go from $120K per annum to $130K per annum. General Transfer Balance Cap? From the humble sum of $2 Million, to a mouth watering, lofty $2.1 Million.

If these figures and terms have your head spinning about out of confusion, or if you're overwhelmed by the sheer potential growth, do not hesitate to contact us for advice, and strategies.

Inflation Based Discount on CGT?

A discount based on inflation will replace the 50% discount previously applied. This is intended to relieve Australian tax-payers who are most affected by inflation. You Capital Gains are affected by inflation, either increasing or decreasing the value of the gains. If you take the figure of your capital gains, and it was affecterd by inflation, the discount will be based on whatever figure is made small due to inflation. Scratching your head? Don't worry, you're not alone in that regard. The discount is aimed to make sure you pay the least amount of tax possible if your gains have been increased due to inflation. To put it simply, the bigger the inflation, the bigger the discount on your Capital Gains Tax. Still scratching your head? Contact us! We'll talk you through it.

May Newsletter

Are You Ready For The End of Financial Year

It's June! The seasons are shifting to winter, the year is halfway through, and it's the end of financial year. Are you ready to settle up? There's a lot to keep in mind, from tax returns, profit and loss statements, tax deductions, lodgments, and more. If you feel like you're missing something, we take a very human, holistic approach to making everything as comprehensive as possible, putting efficiency ahead, without losing the personal touch that ensures your trust as clients.

There are many changes in this year's budget that have changed the way things may operate during the end of financial year, so it's important to keep these changes in mind before lodging any taxes. If this seems overwhelming, or if you need an extra pair of eyes to get the most out of the tax season. We can see if you'll meet your superannuation obligations, find ways to improve your cash flow, and make plans for the next financial year! You can never be too prepared, especially given the shaky future of the economy.

Scams!

Today, it's more important than ever to stay vigilant, and and aware of scams. Due to AI, it's more difficult than ever to tell the difference between a genuine call from a service provider, such as the Australian Taxation Office, and even smaller firms in insurance, finance, and more.

For example, during a call, if anything seems off in any way shape or form, immediately disengage by hanging up. In the event that the call is genuine, they can be reached from the genuine number and contact points, and they will often have a casefile as to keep up to date with your progress.

In 2025 alone over 200,000 scams have been reported to ScamWatch, with 45,000 scams reported this year.

It's scary, but important to stay alert. Australians have lost their lifesavings in less than a minute. For more tips, head to Scamwatch.gov.au

Aged Care

Australia has an ageing population, with an aged care system not built to handle the exponential rise in retirees. With a lot to worry about, this is a lot to pile on top of your proverbial plate. So how can we transition you into retirement with as little headaches as possible?

In this latest budget, $3.7 Billion dollars will be allocated to aged care to deliver more beds, and more support for ageing Australians. This is a fantastic start, however, in the long term, the system needs more work.

With ageing Australians feeling more and more disposed and expendable, it's important to receive retirement planning with grace and care. With 30 years of experience, we take a holistic approach to finances. We take this same approach to retirement planning too, ensuring human eyes and hands take care of you.

Talk to us today – the right advice starts with a conversation

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