

Call me over-prepared...

But I think that now is as good a time as ever to prepare for that eventual dreadfulness, tax time. The leaves are starting to fall from the trees, the weather is changing and that wintry chill is in the morning air. Which means the end of the financial year is nigh, and why not start preparing for it now? The more prep you can do in advance, the more likely you are to be able to make the most of all those sexy deductions and tax concessions that are heading your way. We also have an FAQ that we've visited before, but how can we resist another request? And until next month, happy freelancing!

Monica



multimedia makers

Freelance F A Qs

Dear Monica,

What do I charge? I'm a fashion designer specialising in graphic design and art for the apparel industry. At the moment I'm thinking of an hourly rate, but if a design that I was paid \$200 for results in a \$100,000 order for my client is it reasonable to ask for a commission? Should I have some sort of contract arrangement?

C.T, Brisbane

A few questions here! Firstly, I can't tell you what to charge because there's no fixed rate for your industry. You need to charge a reasonable rate that meets your financial needs and that the client will pay.

Secondly, an hourly rate is very common and the way most people in your field get paid, at least when they start freelancing.

Thirdly, you should always have a contract, to protect both yourself and your client. And unless your contract specifically says so, you can't charge a fee for work and then go back later for a slice of the profits. If you want this, get it in writing first!

Fancy an answer? Email faq@freelancesuccess.com.au and we'll get back to you!

**Feature Article:
The End is Nigh**

Most of us wait until the financial year is dead and buried before we start thinking about our annual income tax obligations. There's nothing wrong with that, but a few thoughts to your tax now could mean savings in the future.

Are you really a business?

For those transitioning from employment or school to freelancing, proving that you're a legit business could be the difference between claiming the full gamut of deductions or just claiming the odd thing here and there. The ATO has developed guidelines about what constitutes a real business, based on various findings of courts and tribunals.

You won't be subjected to these guidelines unless there's a question about your tax return, but why not be prepared now? The ATO will want to know...

- ◆ Whether your business is operating as a commercial and profit-focused enterprise;
- ◆ If you have actually started to conduct business, and have plans to continue and profit;
- ◆ How regular and repetitive your business is;
- ◆ If you are 'business-like' in the way you conduct your work and your freelance life.

Are you making the most of your deductions? Now is the time to think about all your spending and how you can use it to reduce the amount of tax you have to pay. Need to buy any big ticket items like a computer?

There are new depreciation rules for small businesses that make life a lot easier. And what about travel? Have you been keeping all your receipts, including public transport? If you need to take any overnight trips between now and the end of June, keep all your receipts, including your meals and incidental expenses. They could all be a right-off!

What about super? Changes to super mean that, as a self-employed person, you can claim any contributions you pay for yourself as a tax deduction up to \$50,000 a year. If your income is high this year and you're worried about paying too much tax, stick some extra in your super and take advantage of this incentive.

New concessions for small business entities - huh? If you don't know about these, ask your accountant. You could be pleasantly surprised!

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AdHoc

The Freelance Success Newsletter

What's Up Freelance Success?

◆ **Freelance Success workshop in Sydney - Enrolments are open!**

Thanks to those of you who have bitten that bullet and enrolled in the first *Freelance Success Sydney* workshop for 2008. If you're considering joining us, I recommend enrolling sooner rather than later as places are starting to fill.

When? 3 Saturdays, starting 5th April and ending 19th April 08.

Times? 9:30am to 5pm each day

Where? Mechanics School of Arts, 280 Pitt Street Sydney

Cost? \$330 full or \$275 conc. For more info or to enrol online, www.freelancesuccess.com.au or call the office on 02 9516 5312.

◆ **Freelance Success comes to C-Town NSW!**

Campbelltown City Council in NSW has invited Freelance Success to present a one day introductory workshop for the youth of the area on **Saturday 8th March at 9:30am**. The day offers a taste of the full Freelance Success workshop, and is geared towards young people with an interest in music and the arts. For more information please email Dean Williamson at dean.williamson@campbelltown.nsw.gov.au.

◆ **The workshops prepare to travel once again...**

Through our connection to the wonderful and enlightened Centre for Screen Business, the workshop (under it's super hero alter ego title **Running Your Own Creative Business**) is once again on the move. In the next few months we'll be making our semi-regular stop at AFTRS, and plans are afoot to bring the workshop to Sydney, Brisbane and Melbourne in June. Stay tuned, you'll be the first to know!

Next mailout... Friday 4th April 08

freelance success
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