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TAX TIME 2025-26

The Tax-Time Checklist

Five mistakes to check before you lodge, plus what's genuinely new this year — for high-income professionals and business owners.

Every tax time, we see the same avoidable mistakes turn up on high-income returns. This year there are also a handful of real ATO changes worth knowing, alongside a few that keep getting talked about but still aren't law. Use this before you lodge — or before your first appointment with us.

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FIVE MISTAKES TO CHECK BEFORE YOU LODGE

The same five errors we see on high-income returns, every year.

- [ ] **Substantiation**
  Keep the receipt, log or apportionment behind every claim — not just the claim itself.
- [ ] **Mixed personal & business expenses**
  Run personal and business spending through separate accounts, always.
- [ ] **Omitted investment income**
  Dividends, managed fund distributions and interest all count — even without a paper statement in hand.
- [ ] **Employee vs business expense mix-ups**
  Match the claim to the income stream it actually belongs to.
- [ ] **Property, shares or crypto records**
  Keep the file from the day you acquire the asset — not the day you sell it.

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WHAT'S ACTUALLY NEW FOR 2025-26

Direct from the ATO's "What's new for individuals," last updated 2 July 2026.

- [ ] **The $2 minimum for gift deductions is gone**

  Donations to a registered deductible gift recipient are now deductible regardless of size. A few exceptions still apply — political donations, some gifts of property, and donations where you receive something back.

- [ ] **New ATO guidance on rental properties**

  Updated ATO guidance clarifies how deductions are apportioned when a property has both rental and personal use — including holiday homes that are only rented out part of the year.

- [ ] **ATO interest charges are no longer deductible**

  The General Interest Charge (GIC) and Shortfall Interest Charge (SIC) incurred from 1 July 2025 can't be claimed as a tax deduction (charges from before that date can still be claimed on a 2024–25 or earlier return).

- [ ] **Trust distribution statements now include more detail**

  New reporting labels are now included in trust distribution statements, and pre-fill for trust distributions is available to individual taxpayers this year — useful if you receive income through a family or business trust.

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WHAT'S NOT CHANGING — YET

These are proposals you may have heard about. None of them are law for the 2025–26 tax return:

- A standard $1,000 deduction for work-related expenses
- The Working Australians Tax Offset
- Changes to capital gains tax
- Changes to negative gearing arrangements
- Changes to the private health insurance rebate for people 65 and older

If you've heard otherwise, that's this year's noise, not this year's rule.

Want a second set of eyes on your return before you lodge?

BOOK A TAX-PLANNING MEETING

Source: Australian Taxation Office, "What's new for individuals," ato.gov.au, last updated 2 July 2026. This checklist summarises publicly available ATO guidance and is general information only — it does not take into account your personal circumstances and is not a substitute for professional advice.