



A three step guide

To managing GST, PAYG and
Superannuation obligations for
SMBs



Cash flow is always challenging for SMB's.

There is a reasonable amount of variation between how it needs to be managed across industries, however there are three items in Australia that are constant - **GST, PAYG & Superannuation** obligations.

These obligations usually need to be paid 'at least' every quarter, and the **ATO** will penalise heavily if they are missed.

But many businesses struggle with ensuring they have enough cash to pay on time.



This guide will provide **3 easy steps** to ensure that small business owners have good habits and don't get caught out when the time comes to pay these obligations.

1

Start Fresh

If there is any historic debt or payment plans set up, make sure the liability is moved to a clearing account of some sort. If you are not sure what this means, speak to an accountant or bookkeeper and tell them you want to talk about liabilities, they are sure to get excited.

Essentially you want to ensure that your GST, PAYG and Superannuation liability accounts only hold the current liability, not the historic ones.

Obviously historic debt isn't going away, but we want to focus on getting into good habits.



2

Get a savings account

Regularly putting money away for these obligations is a simple way to remove complications.

Each of the big 4 banks in Australia have an option for a business tax savings account.

They generally have great interest rates and are ideal for this scenario.

Below are links to some examples of accounts provided in 2023



Note: these links have been provided for information purposes only. These are by no means recommendations or a demonstration of any partnership.

3

Monitor & Transfer

Once a week, a regular time should be set to check the current GST, PAYG and superannuation liability on the balance sheet.

The total of these three accounts should match the total in the savings account.

If there is a shortfall in the savings account, transfer the amount immediately.

How often does an SMB get to the end of a period only to be faced with 'BAS Shock'? Proactively saving removes the shock and avoids ATO payment plans

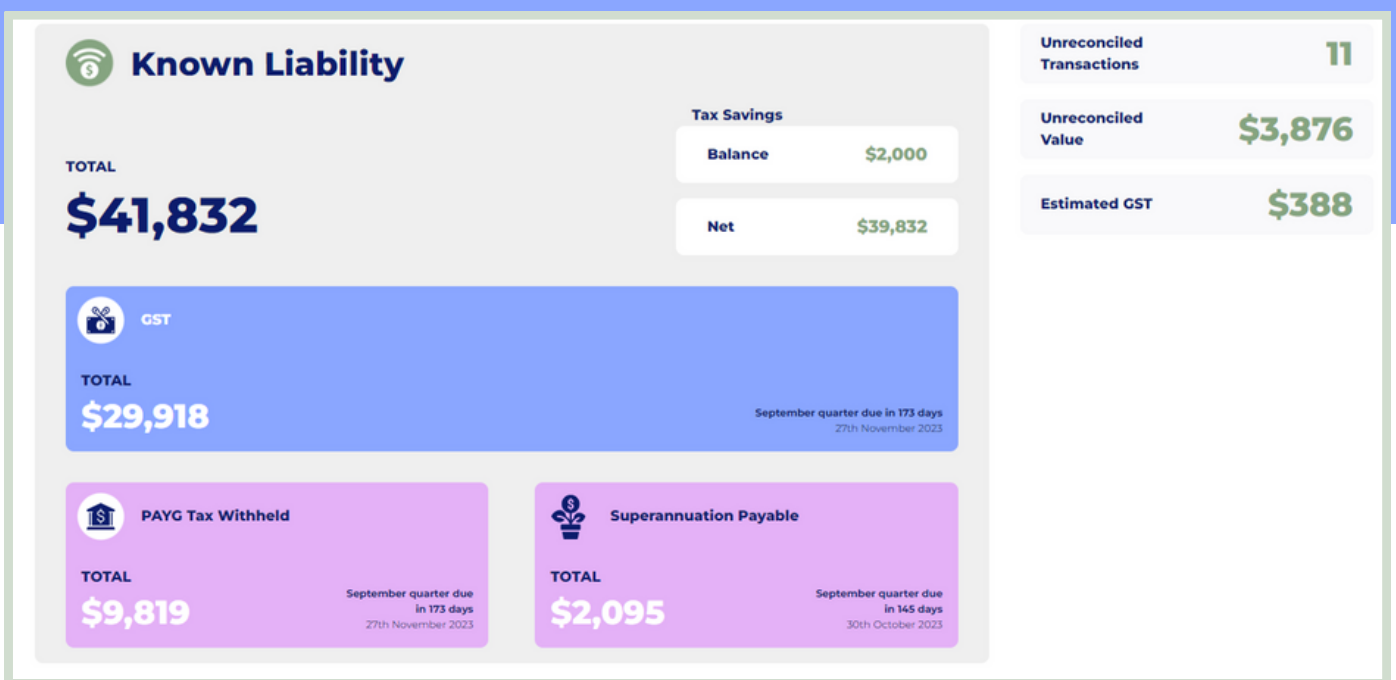
Of course, if there are unreconciled transactions the amounts in the accounts could be inaccurate, but that is another good reason to get on top of reconciliation.

Make it easier !

For those who are using Xero, implementing TaxAsYouGo by Finlert (TAYG) can make this whole process even easier.

TAYG will provide the following in a simple easy to read format;

- Weekly alerts to email or Slack with what is currently owed for each account
- Upcoming due dates
- Current balance, shortfall or surplus in savings
- Total number and value of unreconciled transactions as well as an estimated GST value



TAYG can be set up in minutes and save you thousands in ATO interest and/or penalties.



Get in touch

As an SMB, to get started simply go to finlert.com/tayg

If you are an accountant or bookkeeper, TAYG can be set up on behalf of your clients and branded with your company details.

We also have competitive pricing so in partnership we can help provide TAYG as a service your clients.

To find out more or book a demo get in touch using the details below.



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