



**Minimizing Taxes:**  
**Smart EOFY Strategies for**  
**Automotive Services**  
**Businesses (2024 -25).**

# Table of Contents

---

**01** Strategic Tax Optimization

---

**02** Regulatory Compliance & Legal Assurance

---

**03** Sustainable Business Growth and Expansion

---

**04** Innovation, Technology and Workforce Strategy

---

**05** Long-term Planning and value creation





# Minimizing Taxes: Wise Strategies and Planning for Logistics/Transport/Warehouse Business

This checklist is specifically tailored for small-to-medium automotive service businesses (mechanics, auto electricians, tyre shops, panel beaters, detailers, mobile technicians) seeking to reduce tax, enhance operational efficiency, and strengthen financial positioning ahead of financial year-end. It blends essential compliance actions with forward-looking.

## 01 Strategic Tax Optimization

- Use the \$20,000 Instant Asset Write-Off**  
Deduct eligible assets such as hoists, diagnostic tools, compressors, tyre balancers, and service vehicles purchased and installed by 30 June 2025.
- Write Off Low-Value Asset Pools**  
Fully deduct your small business depreciation pool if the balance is under \$20,000 at year-end—commonly includes tools and computers.
- Prepay Workshop Lease, Equipment, or Insurance**  
Prepay up to 12 months of workshop rent, tool hire, equipment finance, or mechanic trade insurance to bring forward deductions.
- Conduct a Parts Inventory Stocktake**  
Identify and write down slow-moving or obsolete parts like filters, globes, old tyres, or outdated diagnostic components.
- Complete Workshop Repairs and Maintenance**  
Service hoists, compressors, air conditioning machines, and electrical tools before 30 June to maximise current-year deductions.
- Maximise Super Contributions**  
Ensure all superannuation contributions for employees (including apprentices) are paid and cleared by 30 June to be deductible.
- Write Off Bad Debts**  
Formally write off any unpaid invoices or cancelled fleet accounts before 30 June.



02

## Regulatory Compliance & Legal Assurance



### Review Single Touch Payroll (STP) Data

Ensure correct reporting of allowances (tool, travel), bonuses, and overtime in compliance with STP Phase 2.



### Claim Fuel Tax Credits on Eligible Usage

If operating off-road diesel vehicles or using fuel in dynos, forklifts, or generators, claim applicable fuel tax credits.



### Lodge Your TPAR if You Use Subcontractors

Report payments made to contract detailers, panel beaters, or mobile specialists by 28 August via the Taxable Payments Annual Report.



### Renegotiate Supplier Terms

Review parts, tyre, and oil supplier pricing. Explore better trade terms, volume discounts, or payment deferrals.



### Adjust PAYG Instalments

If your income has fluctuated this year due to staffing, seasonality, or project delays, consider varying your PAYG.



### Review Division 7A Loans

Properly document and repay any director loans to avoid tax issues under Division 7A rules.



### Review Contractor Classification

Ensure mobile techs or casuals are correctly classified as contractors or employees—review Fair Work and ATO guidelines.

03

## Sustainable Business Growth and Expansion



### Check GST Coding on Invoices

Verify correct GST treatment on bundled services like parts + labour, subcontractor fees, or imported components.





**Claim Auto-Sector Grants or Subsidies**

Check eligibility for apprenticeship wage subsidies, energy efficiency incentives, or local small business rebates (e.g., SafeWork NSW \$1,000 rebate).

**Run a Service Margin Review**

Assess the profitability of services like logbook servicing, diagnostics, and rego inspections—adjust pricing if necessary.

**Use ATO Benchmarks**

Compare your cost structures (fuel, labour, insurance) against logistics industry benchmarks to identify red flags or inefficiencies.

**04 Innovation, Technology and Workforce Strategy**

**Upgrade Booking and Job Management Systems**

Deduct costs for platforms like Workshop Software, MechanicDesk, AutoLeap, or ServiceM8 for scheduling and invoicing.

**Claim Tech & Automation Tools**

Deduct scan tools, software subscriptions, CRM systems, fleet tracking devices, or parts ordering platforms.

**05 Long-term Planning and value creation**

**Review Equipment & Vehicle Finance**

Check lease or chattel mortgage terms on shop vehicles and diagnostic tools—consider refinancing or restructuring if needed.

**Reassess Your Business Structure**

Determine if your sole trader, company, or trust setup still suits your liability protection and tax needs.

**Plan for Growth or Exit**

Whether expanding to a second site or preparing to sell, start planning early for tax-effective transition or scale-up.

**Offer EOFY Specials or Promotions**

Use tax time to boost workshop activity through service bundles, winter checks, or rego-ready promotions.



Want to stay ahead with your **tax planning & strategy?**

**Secure a Complimentary 1:1  
Consultation**

**The  rk**

ACCOUNTING CORP.

CHARTERED

