

Small Business Round-up

July 2024



In the past month we have been travelling through Southeast Queensland, visiting small businesses in areas such as Logan, Ipswich, Arana Hills, Ashgrove and more. As we prepare to head to regional Queensland to welcome a new council to the Small Business Friendly Program, we continue to dedicate our time to meeting with small business owners face to face, listening to their opportunities and challenges, and discussing the services and support available to them.

July marks the new financial year for small business across the country, and with it comes the inevitable tax time. We understand this period is challenging, and it is rare to find someone who speaks fondly of their experiences with the tax process! We hear the

collective sigh from small business owners and acknowledge their hard work and resilience during this time.

Recent reports from the ABC have highlighted stories about rising tax and superannuation debts, as well as significant penalties being levied against company directors. The commercial credit reporting bureau, Creditor Watch, paints a sombre picture for Australian businesses, with invoice values plummeting by nearly half compared to last year, and a concerning 8.8% uptick in business failures over the past twelve months. Particularly hard hit are the food and beverage and construction sectors, where tax debts exceed \$100,000 with electricity and gas a close second.

The Australian Taxation Office (ATO) has openly declared it is taking 'firmer debt collection action'. The belief is this will prevent businesses that don't meet their fiscal responsibilities from gaining a competitive advantage. In my experience, small business owners are not looking to exploit tax debt for competition's sake. The small business owners I've met are hardworking individuals who juggle numerous responsibilities and bear the weight of supporting both their employees and their own families. I encourage the ATO to engage more with small businesses to improve their awareness of the challenges small business owners are facing.

With the increasing focus on tax-related debts, now more than ever it is crucial for small business owners to have a solid understanding of their financial health, enhance their knowledge of tax matters, and seek professional guidance if you need support or are struggling with these issues. Our work with the two free tax clinics in Queensland shows that confronting these challenges proactively is an important step and that understanding your true financial position can reduce your risk of insolvency by up to 80%!

For more information on tax as a small business owner, I encourage you to explore the **Tax Time Toolkits** available on the ATO website and watch their **webinars** on frequently asked questions. If you want to speak to someone about your business' finances or the pressures associated with business, please connect with the free **Small Business Support Network** for confidential financial counselling, one-on-one support, and information to look after your mental health and wellbeing as you run your business.

Remember, you are not alone—we are here to help! You are welcome to **visit our website, submit an enquiry,** or call us on 1300 312 344.

Photo caption: Dominique Lamb, Queensland Small Business Commissioner.

Upcoming activities

- **8-9 August** – Townsville Chamber of Commerce, Rising Regions Conference and Business Awards
- **12 August** – Banana Shire Council and Callide Dawson Chamber of Commerce dinner event, Biloela
- **13 August** – Gladstone Regional Council, sign up to the Small Business Friendly Program
- **28 August** – Women in Public Sector Leadership Summit (speaker), Voco Brisbane City Centre



Dominique Lamb

Queensland Small Business Commissioner

Regional Place Activation Program *is underway*



Last month we announced the QSBC has partnered with Renew Australia to offer a Regional Place Activation Program tailored for towns across regional and remote Queensland.

Small Business Friendly Program (SBF) council members with a population less than 50,000 were invited to express interest in participating in the program - we are pleased to report that we received 14 applications. Offers to participate in the program have now been made, and we look forward to announcing the successful councils shortly and providing details on how their local small businesses can get involved.

Check out the [Regional Place Activation Program](#) to find out more.

Protect your business from *EOFY* scams

Imagine receiving an email that appears to be from the ATO, asking you to log in to your account to verify your details! The email looks authentic, with official logos and language so you click the link and enter your credentials. A week later, you discover your tax return has been redirected to an unknown account. This is a scam many small business owners have faced recently.

Here are three key tips to help safeguard your business finances:

1. **Know:** The ATO and MyGov will never send an SMS or email with a link to log on to their services. Always access these portals directly by typing "my.gov.au" or "ato.gov.au" into your browser.
2. **Check** before you act: If you receive a suspicious message, contact the ATO or MyGov directly.
3. **Do:** Ensure each of your accounts have a unique password and that you have two-factor authentication (2FA) enabled to prevent unauthorised access.

There are also scams, that follow on from you being scammed, where the scammers offer to help recover your money for an upfront fee, a percentage of the lost funds, or your tax payment! You should make all requests to recover your money to your financial

institution and report any fraud to the police.

We also encourage everyone to report any suspicious phone calls, emails and other activity to the Australian Government SCAMWATCH - **every report helps!**



New Small Business Big Stories podcast

In July we launched the Queensland Small Business Commissioner's podcast series. 'Small Business Big Stories' gives a voice to the heart and soul of Queensland's entrepreneurial spirit, inviting you to explore the personal journeys of small business owners and find inspiration in their stories.

Our first episode features Clarissa Rayward who shares the innovative ways she's shaking up her traditional industry, proving that a touch of creativity — channelling the spirit of the Wiggles — can truly set a business apart.

Mark your calendars - new stories drop monthly!

Listen on **Spotify**, **Apple** or visit our **website**.



Isaac Regional Council supports **new chamber**

Congratulations to the Isaac region on the successful launch of the **Isaac Business Chamber**!

Working closely with the Isaac Regional Council, a proud member of our **Small Business Friendly Program** and 2024 Regional Member of the Year finalist, small business owners can now network together, access valuable resources, benefit from collective marketing, and engage in events to boost collaboration and innovation.

Our Director of Assistance, Peter Maddock attended the chamber launch and agrees this dynamic organisation is set to be a cornerstone for local businesses in the region. This is a significant milestone for the Isaac region, helping to create a thriving business ecosystem and boost the local economy.

Visit the **Isaac Business Chamber** to learn more.

Navigate your financial challenges wisely

We're seeing an increase in small businesses navigating financial hardship. A surge in appeals to the **National Small Business Debt Helpline** during May and June is a sign of the distress being faced across the community! Before you consider a quick-fix loan, be wary of the pitfalls of predatory lending which often make debts worse and can ruin your long-term financial health.

Be aware of predatory lending red flags:

- **Sky-high interest rates:** Can surpass 100% accelerating your debt spiral.
- **Hidden fees:** Deceptive charges buried in fine print.
- **Balloon payments:** Big final amounts due at the end of the loan.

- **Early payoff penalties:** Fines for paying off the loan ahead of schedule.
- **'No credit check' guarantees:** Empty assurances that skirt financial scrutiny.



Empower your financial decisions:

- **Seek expert advice:** Consult a financial adviser before committing to loans.
- **Scrutinise terms:** Be meticulous with loan agreements, especially fees and penalties.
- **Consider alternatives:** Investigate various debt management strategies.
- **Negotiate with creditors:** Direct dialogue can forge favourable resolutions.

If you are experiencing hardship or debt recovery becomes a reality, get access to broader specialist support services such as legal advice, marketing support, accounting advice and wellness coaches through the Queensland Government **Small Business Support Network**.

Don't face financial stress alone – connect with the network today!

Understand commercial lease **outgoings**

We're hearing that rising business expenses, such as utilities, rates, and insurance, is a big concern for both commercial property owners and their small business tenants. While many lessors tell us they are helping where they can, these costs will often need to be passed on to tenants.

Our top tips for fair and legally compliant recovery of outgoings:

- **Understand cost recovery:** Generally, property owners must only recover the actual costs incurred from tenants.
- **Prepare for 'net recovery' lease clauses:** Accurately estimate the outgoings and later adjust them to match the actual expenses.
- **Adhere to the RSL Act:** Always provide retail tenants with an accurate estimate of outgoings at the start of the lease and at least a month prior to each financial year.
- **Recover costs fairly:** Never charge tenants more than the actual outgoings.

- **Meet deadlines:** Deliver an audited statement of outgoings to tenants no later than 30 September each year.

It's important that both parties in a commercial lease stay up to date with legislative requirements to help maintain trust in the business relationship.

For more information, check out our [fact sheet](#) with information you should ask yourself when reviewing or preparing your annual audited statements.

Unlock the world: Small business exporting made easy

Have you ever dreamt of seeing your products or services reach new heights across international shores? If global markets seem like uncharted territory, we've got great news for you – you don't need to be a corporate giant to achieve global success!

We're supporting Trade and Investment Queensland (TIQ) to reach more small businesses across regional, rural, and remote Queensland - fostering conversations to demystify the export journey for Queensland's small business community.

Together, let's turn your local ingenuity into a global success!

[Find out more >>](#)



Opportunities for you

Boost your business with energy savings

The new Small Business Energy Incentive offers a 20% tax deduction for energy-efficient expenditure up to \$100,000. Eligible businesses with under \$50M turnover can receive an up to \$20,000 tax deduction!

[Find out more >>](#)

Unlock your social enterprise potential with Underway

An Australian Government initiative, Understorey is an online resource dedicated to the social enterprise sector. Find educational tools and resources to help you start, run, and evolve a social enterprise and explore the wider impact economy.

[Find out more >>](#)

Power up workplace skills

Explore the Fair Work Ombudsman's free interactive courses on diversity, hiring, record-keeping, and workplace laws. We encourage employers, managers, and advisers to enrol to improve these important workplace skills!

[Find out more >>](#)

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*making a difference,
one conversation at a time*

