



Partnerships: An overview

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What is a Partnership?

A Partnership occurs when two or more entities operate a business and distribute income or losses between themselves



Advantages of Partnerships

A Partnership has the following advantages

- Easy administration
- Minimal compliance obligations
- Flexibility of structure
- Shared income, losses and control



Obligations of Partnerships

For Partnerships, there are certain obligations that must be considered

- Unlimited liability
- Joint liability to third parties for the debts and obligations of the partnership
- Partners will be assessed on all income in the year of derivation
- Ability for capital-raising is limited
- STP, WorkCover and PAYG



How to start a Partnership

Partnerships are simple and inexpensive to setup

- Decide which Partnership is most suitable
- Apply for TFN for partnership
- Apply for ABN for partnership
- Register for Single Touch Payroll
- Register for PAYG

Hiring Employees



A Partnership can hire employees

- Employees can be casual, part-time or full-time workers
- You may only hire those who have the right to work in Australia
- Ensure you comply with Workplace Health and Safety regulations
- You are required to pay employee super



Things to Consider

There are some things to consider when operating a Partnership

- Each partner is responsible for their own superannuation
- The Partnership must lodge an annual partnership return
- The Partnership is liable to report GST when annual turnover exceeds \$75,000

Partnership Checklist



A Partnership will require the following

- An Australian Business Number (ABN)
- A Tax File Number (TFN)
- Consider a partnership agreement
- Seek appropriate insurances

What we offer



The process of maintaining a Partnership is an involved process and may include;

- Single Touch Payroll
- Superannuation
- Bookkeeping and Software (MYOB, XERO)
- Accounting
- Partnership Tax Return
- Business Activity Statement

For those who do not wish to spend time stressing or learning how to do these crucial requirements, feel free to contact us to make use of our expert services

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