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NEWS

Edition: June 2009

Maclarens Lawyers would like to encourage you to contact us to find out more about our services. We have your best interests at heart and want to help you achieve a more successful business and happier life. Contact us today to experience for yourself why our clients strongly recommend our services again and again.



FIRST HOME OWNERS BOOST

The Federal Government announced that the First Home Owners Boost (FHOB) will be extended for a further six months.

For eligible first home buyers who enter into contracts between 1 July 2009 and 30 September 2009, the FHOB will continue to provide \$7,000 for the purchase of established homes and \$14,000 for the purchase of new homes. Combined with the FHOG, eligible persons who purchase an existing dwelling will receive \$14,000 of assistance whereas eligible persons who purchase a new dwelling will receive \$21,000 of assistance. The residency requirement remains the same in that you must move into the property within 12 months after completion and live there for a continuous period of six months.



Getting to know your business

The Global Financial Crisis is not the sole instigator, but it has played a monumental role in propelling motivated individuals into starting their own business. Conversely existing business owners are revisiting their cash flow statements and asking themselves; 'what should I do now?' Business owners should employ a number of strategies to reduce risk and manage costs. The first is to get proper legal and financial advice. Some other things you ought to do are listed below.

Tips for new Business Owners

- Consider your business structure in light of whether you have a young family, personal assets or a risky business
- Market your business to the right target audience be it through a website, word of mouth, facebook or through traditional advertising mediums
- Make sure your supply, distribution, installation or sales agreements are drawn properly and that you understand them
- Get good financial advice about how to work within the current tax laws
- Ensure you understand all your rights under your negotiated lease
- Protect your intellectual property

Tips for Existing Business Owners

- If your business can't tick off the above tips, its time to revisit those tips
- Furthermore, ask your suppliers and landlords what price concessions they can offer in the current times and help them understand your business
- Make sure all your employees understand and support your business
- Lower your risk against future claims
- Revisit and revise your business plan

Established in 1945, Maclarens Lawyers are accessible and approachable and offers a complete range of services to corporations and individuals.

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FISCAL STIMULUS

As part of the previous fiscal stimulus packages, the Federal Government announced that small business (those with a turnover of less than \$2 million) would be able to claim a bonus tax deduction for the acquisition of eligible assets, in addition to the usual capital allowance deduction. The bonus deduction has been lifted to 50%. To be eligible, the asset must: -

- Cost more than \$1000 (in aggregation)
- be purchased between 13 December 2008 and 31 December 2009 and
- be used or installed ready for use by 31 December 2010.



RECOVERING UNPAID DEBTS? SETTLING OR LOOKING TO SETTLE A DEBT?

Whether you are owed money by a customer, business partner, friend, family member or complete stranger, you will need to ensure that your documents are in order. Did you give a loan advance? Did you offer vendor finance? Or are they simply not paying your bills?

Do you know if stamp duty is payable on your transaction or loan advance? Not all loan advances attract stamp duty. Do you know if your agreement is enforceable? One common mistake is to require the borrower to pay you a penalty for late payments. This is not enforceable. In the recent decision of *Hunt v Kallinicos [2009] NSWCA 5*, the NSW Court of Appeal confirmed that where a debt is owed and the creditor has granted to the debtor an indulgence, discount or concession to pay the debt by instalments, it will not be unlawful for the creditor to withdraw the indulgence when the debtor defaults in payment of the instalment. But to require a debtor to pay additional monies for a default in payment of an instalment would be a penalty and penalties are unlawful. In *Legione v Hateley (1983) 152 CLR 406*, Mason and Deane JJ at 445 said "a penalty, as its name suggests, is in the nature of a punishment for non-observance of a contractual stipulation; it consists of the imposition of an additional or different liability upon breach of the contractual stipulation."

In some cases, an accelerated payment provision in a deed of settlement would also fall foul of the penalty rules.

Have your loan agreements or settlement deeds been drafted appropriately?

With over 64 years of experience servicing our local and expanding Western Sydney community needs, Maclarens Lawyers are qualified to meet your requirements and to protect your interests. Whether your files are big or small, complex or urgent, we have the right brilliant legal mind waiting to take care of your affairs.

protecting your interests

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