MNM GROUP ADVISERS

A free checklist for medical specialists

# The Doctor Tax Strategy Checklist

Twenty-six questions to ask before June 30 — and what your answers actually mean for your tax position.

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20+ years specialising exclusively in doctors

# Why structure matters more for doctors

A specialist on $400,000 of taxable income loses roughly half of every additional dollar to tax. At that rate, every structural inefficiency compounds fast. The decisions made (or not made) in March, April, and May determine the tax bill in October.

This checklist isn't a substitute for personal advice. It's a diagnostic — twenty-six questions to ask yourself (or your accountant) before June 30. If you answer "no" or "I don't know" to more than five, you almost certainly have unaddressed tax leakage. Some of these have hard deadlines that close on June 30.

Use this as the agenda for your next conversation with your accountant. Or use it as the starting point for our first conversation. Either way, the goal is the same: every dollar that doesn't need to go to the ATO stays with you.

# Section 1 — Pre-EOFY checklist

Time-sensitive items that must be actioned before June 30.

## Super contributions

- ■ Have you made the maximum concessional contribution ($30,000 cap for FY2025–26)?
- ■ Have you checked your unused carry-forward concessional cap balance (up to 5 prior years)?
- ■ If high-income, have you assessed whether to use after-tax (non-concessional) contributions before any cap changes?
- ■ Have you considered a spouse contribution to optimise household tax position?
- ■ For SMSF members — has your annual contribution allocation been formally recorded?

## Income timing

- ■ Can any private practice billings be deferred from June to July to push income into next FY?
- ■ Are any expected bonuses or sessional payments inside your June 30 income picture?
- ■ Have you prepared interim financial statements to estimate the actual liability before lodgement?

## Deductible expenses

- ■ Have you prepaid professional indemnity insurance for the coming 12 months (deductible in the year paid)?
- ■ College and AHPRA registration fees claimed?
- ■ Subscriptions to medical journals and CPD platforms claimed?
- ■ Home office expenses calculated using current ATO methods?
- ■ Travel expenses (between worksites, to professional events) tracked?

## Investment property

- ■ Has the quantity surveyor depreciation schedule been generated and applied?
- ■ Are interest-only loan periods aligned with your tax strategy?

■ Are property expenses (rates, insurance, repairs) tracked and substantiated?

# Section 2 — Structure decision matrix

Which structure suits your facts? A quick guide.

| Structure | When it may suit | Common limitations |
| --- | --- | --- |
| **Sole Trader** | Practice income < $180k. No spouse / no beneficiaries with lower rates. Career stage early. | No income splitting. Personal asset exposure. Caps out fa |
| **Company** | Income > $300k. No spouse for splitting. Want [illegible] corporate rate. | [illegible] Dividends taxed at marginal rat |
| **Service Trust** | Practice income > $250k. Genuine operating overhead. Spouse or family beneficiaries available. | Must comply with ATO PCG safe-harbour benchmarks |
| **Hybrid (Trust + Company + Sole Trader)** | Income > $400k. Multiple beneficiary classes. [illegible] | Setup cost. Ongoing compliance complexity. Annual review |
| **SMSF** | Retirement focus. Long-term capital appreciation. Commercial property (e.g. consulting rooms). | Sole purpose test. Contribution caps. No private benefit. C |

*This matrix is general guidance only. The right structure for your specific facts depends on income type, family situation, asset profile, and projected income. Restructuring decisions require personal advice.*

# Section 3 — Division 293 strategies

If your total income (including super contributions) is above $250,000, an additional 15% tax applies to concessional super contributions. This is Division 293 — and most doctors above specialist income level pay it.

Division 293 is not avoidable above $250k. But it is manageable.

## Strategies to manage Division 293

- Time your concessional contributions when total income is lower (e.g. gap years, transition periods)
- Use carry-forward unused cap from years where you were below the $250k threshold
- Consider salary sacrifice over personal contributions to optimise net position
- For couples — split contributions across spouses where the lower-earning spouse has cap room
- Time large capital events (property sale, share gains) carefully relative to contribution timing
- Model the after-Division-293 position before committing to maximum contributions in high-income years

**WHY THIS MATTERS**

Division 293 is one of the most consistently overlooked tax items in doctor finances. Specialists routinely pay tens of thousands more than necessary because their contribution timing isn't coordinated with their overall income picture.

# Section 4 — Service trust quick-check

A service trust can be powerful — but it has to be set up and operated correctly. Use this checklist to diagnose whether your current arrangement is compliant, sub-optimal, or at risk of Part IVA.

- ■ Is the service trust providing genuine services (rooms, staff, equipment, IT) — not just a paper structure?
- ■ Are the service fees within the ATO safe-harbour range published in PCG 2017/D11?
- ■ Is there a written service agreement between the practice and the trust?
- ■ Are invoices issued, dated, and paid on commercial terms (not just journal entries)?
- ■ Is the trust's corporate trustee in place (not an individual trustee)?
- ■ Does the trust deed include all beneficiaries you intend to distribute to (spouse, adult children, related entities, bucket company)?
- ■ Are distributions allocated based on actual involvement, not just tax optimisation?
- ■ Have annual tax returns been lodged for the trust, separate from the doctor's personal return?
- ■ Is the service fee reviewed annually as practice income changes?
- ■ If income has grown materially, has the structure been re-modelled in the last 24 months?

**If any of these are "no" or "I don't know,"** your service trust may not be operating compliantly. Part IVA challenges have unwound years of tax savings retrospectively with penalties when the substance of the arrangement didn't match its form.

# Next steps

If this checklist surfaced more "no" or "I don't know" answers than you're comfortable with, you're not unusual. Most doctors aren't coordinated across all these items because their accountant doesn't specialise in medical practitioners.

Book a complimentary 15-minute consultation to walk through your specific gaps. No SOP fee. No obligation. Just a direct conversation about which items are costing you most.

**Book your free 15-minute tax strategy review**

Sydney, Melbourne, Brisbane, Perth, or by video call. Bring this checklist with you.

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## Important: General Advice Warning

The information in this checklist is general tax and financial information only and does not constitute personal tax, legal, or financial product advice. Tax outcomes depend on individual circumstances and current tax law. Tax law changes; figures and rules in this checklist reflect FY2025–26 settings as understood at the time of publication. Before making any structural or tax decision, seek personal advice from a qualified tax practitioner registered with the Tax Practitioners Board.