



Jason Wood MP
Federal Member for La Trobe

MEDIA RELEASE

Wednesday 18th May 2016

Minister for Small Business Visits La Trobe

Member for La Trobe, Jason Wood MP and Minister for Small Business and Assistant Treasurer, The Hon. Kelly O'Dwyer MP, visited small businesses today in Berwick.

Mr Wood said hard working local small businesses will be given tax relief from the Turnbull Government with the small company tax rate being gradually reduced to 25 per cent.

"The Turnbull Government is easing the burden on small businesses by increasing access to a range of small business tax concessions, and expanding these concessions to businesses with an annual turnover of less than \$10 million" Minister O'Dwyer said.

The Turnbull Government's 2016 Federal Budget cut the small business company tax rate to 27.5 per cent and makes it available to all small companies with an annual turnover of less than \$10 million from 1 July 2016.

"Small business is the engine room of our economy here in La Trobe. We are committed to easing the tax burden and making life easier for our hard working small businesses to ensure they can grow, prosper and create new jobs.

"These changes will make the small business tax concessions available to over 90,000 additional businesses from 1 July 2016, including around 16,000 local businesses," Mr Wood said.

New changes include:

- simplified depreciation rules, including the ability to claim an immediate deduction for assets purchased costing less than \$20,000 until 30 June 2017;
- simplified trading stock rules, giving businesses the option to avoid an end of year stocktake if the value of their stock has changed by less than \$5,000;
- the option to account for GST on a cash basis and pay GST instalments as calculated by the Australian Taxation Office (ATO);
- a simplified method of paying PAYG instalments calculated by the ATO;
- making GST administration easier by simplifying the Business Activity Statement (BAS); and
- other tax concessions available to small business, including fringe benefits tax (FBT) exemptions (FBT changes from 1 April 2017) and immediate deductibility of professional expenses.