



## COVID-19 Stimulus Package Instant Asset Write-Off (\$150k)

### What is it?

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The instant asset write-off is increasing from \$30,000 to \$150,000.

### Are you eligible?

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Business eligibility for this is being expanded to include those with an aggregate turnover of less than \$500 million until 30 June 2020.

### How does it work?

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From 12 March 2020, the instant asset write-off is increasing from \$30,000 to \$150,000.

- Assets can be brand new or second-hand and must be installed ready for use or in use by 30 June 2020.
- To be eligible, the asset will need to be first used by the business and their associated entities, this will stop related party transfers of existing assets in order to access the write off.
- Applies on a per asset basis, so multiple assets can be written off.
- Due to revert to \$1,000 for small businesses with turnover less than \$10 million from 1 July 2020.

*Note motor vehicles are still subject to a maximum claimable amount of \$57,581.*

### How do I apply?

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No application necessary.

We will claim this entitlement upon completion of your 2020 taxation obligations.

## Business Investment (50% instant)

### What is it?

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Accelerating depreciation deductions up to 50% of the cost of an asset.

### Are you eligible?

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Businesses with a turnover of less than \$500 million are eligible.

### How does it work?

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From 12 March 2020, eligible businesses will be entitled to depreciate assets at 50% of their cost in the year acquired, with the usual depreciation rules applying thereafter to the balance.

- 15-month incentive runs to 30 June 2021.
- Asset must be first used or installed ready for use by 30 June 2021.
- Assets must be new and depreciable (i.e. plant and equipment). Second hand assets and capital works are **ineligible**.

*This information is true and correct as at 23<sup>rd</sup> March 2020.*

*Further information and updates as they arise will be provided promptly by our team.*