

## Instant asset write-off

**If the business had a turnover last year of less than \$500m**

For assets:

- purchased after 12 March 2020, and
- Installed, ready for use before 30 June 2020, and
- costing less than \$150k (GST-exclusive),
- either new or second-hand.

**Note:** Each individual asset will be considered a separate purchase (i.e. 3 purchases at the same time will be considered 3 separate purchases).

The effect is a **quicker tax deduction**

HOW: Tax Return – Information to Tax Agent



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## 50% Instant Depreciation

**If the business had a turnover last year of less than \$500m**

For assets:

- purchased after 12 March 2020, and
- installed ready for use before 30 June 2021, and
- classified as Division 40 assets (normally available for depreciation),
- of unlimited value,
- which are **not** second-hand.

**Note:** This does not apply to assets that have been instantly written off.

- There is a **15 month period** for allowing an instant 50% depreciation claim, in addition to the normal depreciation claim for acquisitions ready for use before 30 June 2021
- The effect is once again a **quicker tax deduction**.
- If the business is not profitable then, any losses will normally be carried forward to offset future profits.

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