
Stimulus Tax Measures Summary

Last Updated 26th March 2020

Administrative Concessions

- Automatic remission for penalty and interest charges imposed on debts incurred post 23 January 2020.
- Deferral of tax payments reported on activity statements until 12 September 2020:
 - This includes PAYG income tax instalments, GST payments, PAYG withholding amounts, FBT payments and excise payments
- Variation of PAYG instalment rate to nil via the activity statement – no interest or penalty even if tax ultimately payable for the 2020 year
- Refund of 2020FY PAYG instalments already made even if tax liability expected for the 2020FY:
 - Quarterly payers can action via their activity statement
 - Monthly payers require ATO engagement

Federal Measures

- Instant asset write-offs Entities with aggregated turnover of less than \$500m are eligible
 - The threshold for assets (considered on a standalone basis) is up from \$30k to \$150k, and applies for assets first used or installed and ready for use by 30 June 2020.
- Accelerated depreciation incentive - Entities with aggregated turnover of less than \$500m are eligible
 - Applies to all new assets acquired after 12 March and for assets first used or installed ready for use by 30 June 2021.
 - 50% of the cost of the asset is available as an immediate deduction upon first use/installation.
- Cash flow boost to SMEs: Entities with aggregated turnover of less than \$50m are eligible
 - Up to \$100,000 benefit for businesses which withhold PAYG on employees' salaries and wages
 - Delivered automatically through the business activity statement system
 - Tax free payment
- Subsidies for small businesses employing fewer than 20 full-time employees:
 - Maximum subsidy of \$21,000 per eligible apprentice or trainee
 - Need to register from 2nd April 2020 (more details to come)