

Instant Asset Write-off Summary

Last Updated 12th June 2020

What is it?	<ul style="list-style-type: none"> Under instant asset write-off eligible businesses can claim an immediate deduction for the business portion of the cost of an asset in the year the asset is first used, or installed ready for use.
What can it be used for?	<ul style="list-style-type: none"> Multiple assets as long as the cost of each individual asset is less than the relevant threshold New and second-hand assets.
What can't it be used for?	<p>You must use the general depreciation rules for the following depreciating assets, as they are specifically excluded from the simplified depreciation rules:</p> <ul style="list-style-type: none"> assets you allocated to a low-value assets (pool) before using the simplified depreciation rules horticultural plants including grapevines software allocated to a software development pool (but not other software) capital works deductions.
When can it be used?	From 12 March 2020 until 31 December 2020
Eligibility	Businesses with an aggregated turnover of less than \$500 million (up from \$50 million).
Thresholds	Threshold amount for each asset is \$150,000 (up from \$30,000)
Exclusions & Limits	If you purchase a car (a passenger vehicle, except a motor cycle or similar vehicle, designed to carry a load less than one tonne and fewer than nine passengers) for your business, the instant asset write-off is limited to the business portion of the car limit of \$57,581 for the 2019–20 income tax year.