

2020-21 AUSTRALIAN FEDERAL BUDGET SUMMARY



THE 2020-21 BUDGET REFLECTS THE GOVERNMENT'S COMMITMENT TO ENSURING AUSTRALIA EMERGES FROM THE COVID-19 PANDEMIC IN A STRONG POSITION.

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We have summarised below the key points from last night's announcement.

TAX CUTS

The second stage of tax cuts have been bought forward from 1 July 2022 and will be back dated to 1 July 2020.

The table below details the tax savings an individual can expect to receive:

IF YOU EARN	TAX SAVINGS
\$40,000	\$1,060
\$80,000	\$2,160
\$120,000	\$2,745
\$140,000+	\$2,565

PENSIONER PAYMENTS

Two separate additional cash payments of \$250 will be received by aged and disability pensioners – the first expected to be received at Christmas this year and the second in March next year. This is in addition to the payments already received.

ASSET WRITE-OFFS

The instant asset write-off scheme introduced during the COVID19 pandemic will be extended. From now, businesses with a turnover up to \$5 billion will be able to write off the full cost of eligible depreciable assets of any value purchased (in the year they are installed) for the next 2 years to 30 June 2022.

LOSS CARRY-BACK

Companies with a turnover up to \$5 billion will also be able to carry back (offset) losses against profits made from the 2018-19 financial year, on which tax has been paid. As a result, eligible companies may elect to receive a refund on tax already paid when they lodge their 2020-21 & 2021-22 financial year tax returns.

JOB MAKER PROGRAM

Employers will be able to claim a credit of up to \$200 when they hire staff aged between 16 to 35 who were in receipt of government support such as Job Seeker, youth allowance or parenting payments for at least one of the three months prior to being hired. Employers will be required to pay at least 20 hours per week to be eligible.