

2021-22 Business Incentive Summary – Plant & Equipment

Small business entities

	Pre COVID-19 stimulus	COVID-19 stimulus	2020-21 Budgets
Instant asset write-off / temporary full expensing			
	7.30pm (AEDT) 2 April 2019 – 11 March 2020	12 March 2020 – 7.30pm (AEDT) 6 October 2020	7.30pm (AEDT) 6 October 2020 – 30 June 2023
Aggregated turnover	Under \$10 million	Under \$10 million	Under \$10 million
Threshold	Up to \$30,000	Up to \$150,000	No threshold – temporary full expensing*
Qualifier	New and second-hand assets	New and second-hand assets. First use or installed by 30 June 2021.	New and second-hand assets. First use or installed by 30 June 2023.
Backing Business Investment (BBI)			
	N/A	12 March 2020 – 7.30pm (AEDT) 6 October 2020	N/A
Asset cost	-	\$150,000 and over	-
First year rate – SBE using simplified depreciation	-	57.5%	-
Qualifier	-	New Div 40 assets only	-
General small business pool			
	7.30pm (AEDT) 2 April 2019 – 11 March 2020	12 March 2020 – 7.30pm (AEDT) 6 October 2020	7.30pm (AEDT) 6 October 2020 – 30 June 2023
Threshold	\$30,000 and over	\$150,000 and over	-
Qualifier	Assets \$30,000 and over can be placed in the SBE general small business pool.	Assets \$150,000 and over can be placed in the SBE general small business pool. If balance below \$150,000 at 30 June 2020 deduct in full.	Deduct balance of general small business pool at the end of the income year while full expensing* applies.

*Full expensing – eligible businesses can choose to deduct the full cost of eligible assets, no value thresholds apply unless the business is using simplified depreciation rules.

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<https://www.ato.gov.au/general/new-legislation/the-australian-government-s-economic-response-to-coronavirus/>

Maximising business cash flow with depreciation

☎ 1300 728 726

📠 1300 728 721

✉ info@bmtqs.com.au

🌐 bmtqs.com.au

ABN: 44 115 282 392