

Budget 2020

Small business snapshot

- ✓ Full value of asset under instant asset write-off
- ✓ Mental health support service
- ✓ National Digitisation Plan
- ✓ Wage subsidies for apprentices and trainees

Wins for Small Business

R&D incentives

Small businesses will have a tax offset set at 18.5% above their company tax rate and the \$4 million cap on annual cash refunds will not proceed.

JobTrainer

\$1.2 billion to extend the JobTrainer package to support SMEs employing apprentices and trainees with a 50% wage subsidy, up to \$7,000 per quarter, for 12 months.



Instant asset write-off

Small businesses can now write-off the full value of assets purchased until 2022 which gives small business time and certainty to plan to buy major equipment.

Loss carry back tax provision

This tax incentive will benefit small businesses that would have been profitable if not for harsh trading restrictions and lockdowns. It effectively allows a small business that has paid tax on profits in or after 2019 to claim back losses incurred from full year 2020 to June 2022.

National Digitisation Plan

\$800 million to help businesses take advantage of digital technology. Over \$400 million will be allocated to create a national directory. This means small businesses will be able to register for an ABN, ACN or licence in just one place.



Mental health support

The \$4.3 million for the Beyond Blue *NewAccess for Small Business* service will provide small business owners with free one-on-one telehealth sessions with trained mental health coaches.

Procurement

Small businesses need a larger slice of the pie when procuring government work. This will only change with the establishment of a small business procurement panel.

Childcare

Childcare fees remain unaffordable for many women in small businesses which is bad for business and the economy.

R&D incentives

Small businesses undertaking innovative work in the software space need certainty around eligibility.



Missed Opportunities

Fringe Benefits Tax

Abolishing fringe benefits tax for at least two years would have provided a much-needed cash flow boost to the economy and support struggling small businesses.

Revenue contingent loans

Revenue contingent loans would have given small businesses the confidence needed to seek funding to get them through the COVID crisis.

Small Business Viability Review Program

Small businesses need access to an accredited professional advisor to judge the viability of their business. Small business owners facing financial stress should be able to obtain professional support valued at up to \$5,000.

Canberra

Level 2
15 Moore Street
Canberra ACT
GPO Box 1791
Canberra City ACT 2601

T 1300 650 460
E info@asbfeo.gov.au

Twitter : @ASBFEO
Facebook: @ASBFEO
LinkedIn: Australian Small Business and Family Enterprise Ombudsman
Instagram: @asbfeo
YouTube : Australian Small Business and Family Enterprise Ombudsman

Copyright notice



<http://creativecommons.org/licenses/by/3.0/au/>

With the exception of coats of arms, logos, emblems, images, other third-party material or devices protected by a trademark, this content is licensed under the Creative Commons Australia Attribution 3.0 Licence.

We request attribution as © Commonwealth of Australia (Australian Small Business and Family Enterprise Ombudsman) 2020.

All other rights are reserved.

Some graphics in this document were used under a Creative Commons license from the Noun Project (<http://thenounproject.com>). The Australian Small Business and Family Enterprise Ombudsman has undertaken reasonable enquiries to identify material owned by third parties and secure permission for its reproduction. Permission may need to be obtained from third parties to re-use their material.

Written enquiries may be sent to:

Communications and Media
Australian Small Business and Family Enterprise Ombudsman
02 6121 3000
media@asbfeo.gov.au

Other Useful Contacts

NSW Small Business Commissioner
T 1300 795 534
E we.assist@smallbusiness.nsw.gov.au

SA Small Business Commissioner
T 1800 072 722
E sasbc@sa.gov.au

VIC Small Business Commissioner
T 138 722
E enquiries@vsbc.vic.gov.au

WA Small Business Commissioner
T 131 249
E info@smallbusiness.wa.gov.au

Australian Competition and Consumer Commission
T 1300 302 021
W www.accc.gov.au

Fair Work Ombudsman
T 1300 799 675
W www.fairwork.gov.au

Australian Securities and Investment Commission
T 1300 300 630
W www.asic.gov.au

Australian Taxation Office
T 13 72 26
W www.ato.gov.au