

BusinessPlus+ Newsletter

Issue – June 2020

Instant Asset Write Off

The Government has announced that the \$150,000 instant asset write-off will be extended for 6 months. It was due to finish on 30 June 2020 but will now cease on 31 December 2020.

The instant asset write-off (IAWO) now applies to entities with turnover of up to \$500 million (up from \$50 million for this limited period) for acquisitions during the period from 12 March 2020 to 31 December 2020. Up to 11 March 2020, the threshold limit had been \$30,000 but was increased as a COVID-19 stimulus measure. The IAWO is scheduled to finish for larger businesses from 1 January 2021 onwards.

The operation of the IAWO from 1 July 2019 is set out in the table below.

<u>Date range for when asset <i>first used or installed ready for use</i></u>	<u>Threshold</u>	<u>Eligible businesses turnover</u>
1 July 2019 to 11 March 2020	\$30,000	Less than \$50m
12 March 2020 to 31 December 2020	\$150,000	Less than \$500m
1 January 2021 on	\$1,000	Less than \$10m

Disclaimer:

Business Plus is distributed monthly by CBSW Tax & Business Advisors to provide information of general interest to our clients. The content of this newsletter does not constitute specific advice. Readers are encouraged to consult their CBSW advisor for advice on any specific business matters.

Providing you
professional
direction



Our liability may be limited by a scheme approved under Professional Standards Legislation.