

MEDIA RELEASE

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OMBUDSMAN WELCOMES GOVERNMENT MOVE TO DELIVER SMALL BUSINESS TAX BREAKS

The Australian Small Business and Family Enterprise Ombudsman, Bruce Billson, has welcomed the Federal Government's commitment to deliver tax breaks that will help small businesses have greater support, incentives and skills to grow.

The measures first announced in the March budget will see small businesses with annual turnover of less than \$50 million given a bonus 20% deduction for expenses and depreciating assets associated with the uptake of digital technology and an extra 20% deduction for the cost of external training courses delivered to their employees by providers registered in Australia.

"This will mean small businesses will get a \$120 tax deduction for \$100 spent on digital uptake and upskilling staff," Mr Billson said.

"Locking in these measures will ensure small and family businesses are digitally enabled, resilient and have the support, incentives, skills and training needed to be truly competitive and to grow.

"Deeper digital engagement has been the saviour for many small and family businesses throughout the pandemic and assistance to build their digital capacity is an important investment in their future.

"The release of draft legislation by Treasurer Jim Chalmers, Small Business Minister Julie Collins and Assistant Treasurer Stephen Jones will be warmly welcomed by the small business community.

"Small business is a dynamic and fast-growing sector that allows people with an entrepreneurial spirit to pursue their dreams and incentives like this will help increase the \$438 billion contribution small business makes to the economy.

"Small businesses provide employment for more than five million Australians – that's two out of every five people with a private sector job.

"Delivering these budget promises will provide incentives for small and family businesses to deepen their commitment to their communities and the economy.

"The digital tax break will allow them to invest in items such as cyber security systems, cloud-based services, accounting or invoicing software, hardware such as laptops and portable payment devices.

"For a small business, the cost of training staff can be quite significant, and this deduction will support owners to make an investment in upskilling staff to drive productivity and competitiveness."

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