



THE HON JOSH FRYDENBERG MP
Treasurer

MEDIA RELEASE

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TAX RELIEF FIVE YEARS EARLIER FOR SMALL & MEDIUM-SIZED BUSINESSES

The Coalition Government is getting on with the job of fast-tracking tax relief for 3.3 million small and medium-sized businesses with the introduction of legislation into Parliament today.

The *Treasury Laws Amendment (Lower Taxes for Small and Medium Businesses) Bill 2018* will fast-track tax relief for small and medium businesses five years earlier than planned and is part of our plan for a stronger economy.

In a sector of our economy that employs around seven million Australians, this will mean more investment, more jobs and higher wages.

Under the new legislation, a business with a turnover below \$50 million will have a tax rate of just 25 per cent in 2021-22, rather than from 2026-27 as currently legislated. Similar timing changes will also apply to the roll out of the 16 per cent tax discount for unincorporated businesses.

This means that a small business such as a café that makes \$100,000 profit will have an additional \$1,500 in 2020-21 and \$2,500 in 2021-22 or an independent supermarket with a \$500,000 profit will have an additional \$7,500 and \$12,500 over the same time period.

When businesses are able to keep more of their own money, they are able to invest back into the business, to create jobs, to boost their productivity and grow.

This builds on the first stage of company tax relief that our Government delivered in March 2017 because we believe in a fair go for those who have a go – that’s what our tax plan is all about.

In contrast, you can’t trust Bill Shorten when it comes to small business – he changes his position by the day. The only thing you can rely on Labor for is higher taxes on your business, income, savings, property and electricity bill.

Our plan to fast-track tax relief for Australian businesses is an important investment in the future economic growth of our nation.

Under the economic stewardship of the Coalition, the economy has grown at 3.4 per cent through the year, the best since the mining boom, and more than a million jobs have been created, as promised.

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