

Client eBrief



2024 - Instant Asset Write Off Now Law

From the ATO

The instant asset write-off (IAWO) is now law. Eligible businesses with an aggregated annual turnover of less than \$10 million may deduct the full cost of eligible assets costing less than \$20,000.

Eligible assets can be new or second-hand. **They must be first used or installed and ready for use between 1st July 2023 and 30th June, 2024.** The \$20,000 threshold will apply on a per-asset basis, so you can instantly write off multiple assets.

The IAWO is one of several depreciation methods available to small businesses. It has been offered under changing conditions since 2011; however, it was suspended when temporary full expensing (TFE) was available. TFE ended on 30th June 2023.

The usual rules for claiming deductions still apply. You can only claim the business portion of the expense, and you need to make sure you have records to prove it. For more information about the instant asset write-off, including eligibility criteria, visit [ATO – Instant asset write-off for eligible businesses](#).

The Current Year 1st July 2024 to 30th June 2025

The recent Budget also announced that the measure would continue into this year. However, once again, it is not yet law, and the announcement is subject to parliament's process.

What is Instant Asset Write-Off?

Instant Asset Write-Off allows eligible small businesses with an annual turnover of less than \$10 million to immediately deduct the full cost of assets that cost less than \$20,000 rather than depreciating them over several years. This applies to both new and second-hand assets first used or installed and ready for use between 1st July 2023 and 30th June 2024.

ATO Lodgement Dates

These dates are from the ATO website and do not account for possible extensions.

You remain responsible for ensuring that the necessary information is with us in time.

See [ATO Due dates by month](#) to check monthly lodgment and payment dates.

BAS/IAS Monthly Lodgements

Final dates for lodgements and payments:

August Activity Statement
21 September 2024

September Activity Statement
21 October 2024

BAS Quarterly Lodgements

Final dates for lodgements and payments:

1st Quarter 2025 Financial Year:
September Quarter 2024 (incl. PAYGI)
28 October, 2024

2nd Quarter 2025 Financial Year:
December Quarter 2024 (incl. PAYGI)
28 February, 2025

When a due date falls on a Saturday, Sunday or Public Holiday*, you can lodge or pay on the next business day.

*A day that is a public holiday for the whole of any state or territory in Australia.

Due date for super guarantee contributions:

1st Quarter 2025 Financial Year:
July to September 2024 – contributions must be **in the fund** by 28 October, 2024

2nd Quarter 2025 Financial Year:
October to December 2024 – contributions must be **in the fund** by 28 January, 2025

Late payments of superannuation are **not** tax deductible. If your business has overdue superannuation guarantee payments and you are unsure of how to proceed, please contact us to discuss.

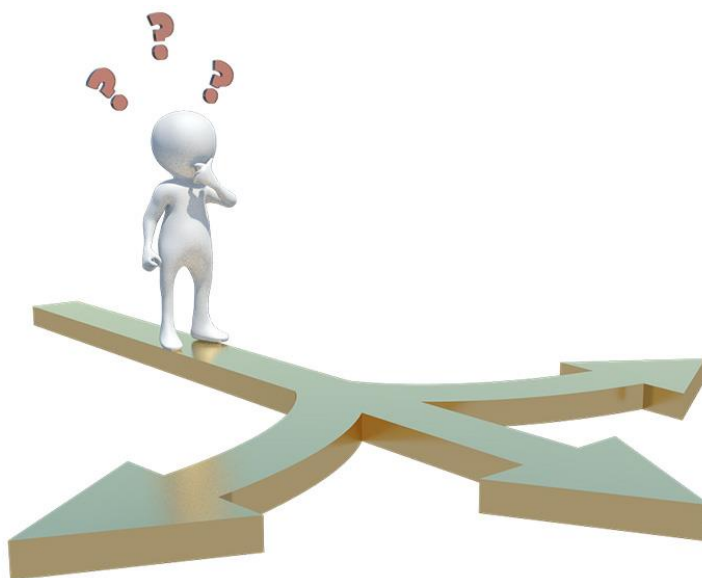
Businesses can write off multiple assets, provided each one is under the \$20,000 threshold. The deduction is only for the portion of the asset used for business purposes, and proper records must be maintained to prove the purchase and business use. This write-off provides immediate tax relief, helping to reduce taxable income for eligible businesses.

The Role of Your Bookkeeper

Your Bookkeeper plays a crucial role in managing your business's finances, particularly in tracking all asset purchases and installations. They ensure that each asset is accurately recorded with precise purchase dates and costs. Collaborating closely with your Tax Agent, your Bookkeeper monitors each asset's cost to ensure it falls below the relevant threshold for the instant asset write-off (IAWO).

At the end of the financial year, your Bookkeeper will highlight any equipment purchases to your Tax Agent. This step is essential to ensure that all eligible assets are correctly claimed in your tax return, maximising your business's potential benefits from the IAWO. Throughout the year, your Bookkeeper maintains thorough documentation and accurate records, facilitating this process and ensuring compliance and optimal tax outcomes for your business.

If you are unsure if your Bookkeeper is undertaking these important tasks within your business, have a discussion with them and explore the value of having your Bookkeeper keep your asset purchases and important asset records up to date and gaining the maximum results for your business.



Simplifying Workplace Changes

The Small Business Peak Program

The [Small Business Peak](#) program, funded by the Australian Government Department of Employment and Workplace Relations through the Productivity Education and Training Fund, is brought to you by the Council of Small Business Organisations Australia (COSBOA).

The program will roll out in phases. The first phase provides small business employers with a library of resources about some of the industrial relations (IR) changes under the Closing Loopholes, Secure Jobs, Better Pay, and Protecting Workers Entitlements initiatives. The second phase offers a portal for small business owners to sign up and access more information and support to navigate the ongoing IR changes into 2025.

Small Business Peak offers downloadable, plain English toolkits that explain the latest workplace changes, including timelines, implementation checklists, and case studies. Employers and employees will have immediate access to information on wage underpayments, changes to casual employment, minimum wage updates, and superannuation guarantee changes. The program includes step-by-step guides to save time and make it easier to apply the latest workplace changes.

One of Small Business Peak's significant benefits is its free and instant access to essential information. It provides quick insights to keep business owners informed. It includes plain English resources, such as fact sheets, FAQs, and compliance checklists, to help small business owners understand and implement new legislation without legal jargon.

Small Business Peak simplifies workplace complexities, making compliance straightforward for your small business. Visit Small Business Peak today to access this free resource hub designed to help you learn about, understand, and implement new IR changes.

[Visit the Small Business Peak website](#)

ABOUT THE PROGRAM

We're here to help

New workplace laws have been introduced across Australia.

Small Business Peak is here to help your small business understand and implement the new workplace legislation. The program is designed to improve the experience for small businesses seeking to learn about, understand and implement the new workplace requirements.

No more deciphering legal jargon. Peak simplifies the most intricate IR changes, making compliance a straightforward process for your small business.

[READ MORE](#)



Disclaimer: All or any advice contained in this newsletter is of a general nature only and may not apply to your individual business circumstances. For specific advice relating to your specific situation, please contact your accountant or contact me for further discussion.

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