



Support for Small Business in the 2020-21 Budget

As a part of our Economic Recovery Plan for Australia we are investing in a range of measures to rebuild our economy and secure Australia's future.

Small and family businesses employ over 6 million Australians and contribute around \$418 billion to our national economy. That is why we are putting in place historic levels of economic support to help small and family businesses recover from the impacts of COVID-19.

The Government's [\\$74 billion JobMaker Plan](#) is designed to support a stronger economic recovery and bring more Australians back to work. We are increasing our support for small and family business in this year's budget by:

- [Building on the Instant Asset Write-Off](#) by delivering \$26.7 billion in tax incentives to invest through temporary full expensing, allowing over 99 per cent of businesses to write-off the full cost of eligible depreciable assets until 30 June 2022.
- [Providing \\$4.9 billion in tax relief through temporary loss carry-back](#) to allow companies with turnover up to \$5 billion to offset losses against previous profits on which tax has been paid, writing off their bad years against their good years, and generate a refund.
- [Investing \\$4 billion to help businesses employ young Australians looking for work](#), by introducing the JobMaker Hiring Credit of up to \$200 per week for eligible employees.
- [Supporting business to employ 100,000 new apprentices or trainees](#), by investing an additional \$1.2 billion to provide a 50 per cent wage subsidy to employers. This builds on the \$2.8 billion Supporting Apprentices and Trainees measure.
- [Accelerating Personal Income Tax Cuts](#) to put more money in people's pockets, drive our economic recovery, and provide relief to many sole traders and micro-businesses across Australia.
- [Expanding access to Small Business Tax Concessions](#), providing \$105 million in tax concessions to support an estimated additional 20,000 businesses and their employees.
- [Removing costly barriers for business to train their employees](#), by exempting employer-provided retraining and reskilling from Fringe Benefits Tax.

- [Expanding the New Enterprise Incentive Scheme to micro-businesses and veteran owned small businesses](#), providing free accredited training and mentoring for people to learn to run their own businesses.
- [Investing \\$800 million in our JobMaker Digital Business Plan](#) to support small businesses embrace digital technologies so they can compete, succeed and create jobs. This includes:
 - [\\$19.2 million to support small business to 'Go Digital'](#), by expanding the [ASBAS Digital Solutions program](#) to a further 10,000 small businesses.
 - [\\$3 million to accelerate the adoption of digital technologies](#), through a Digital Readiness Assessment tool for businesses and digital training for leaders.
 - [\\$11.4 million to establish a Regtech Commercialisation Initiative](#), identifying regulatory solutions that make it easier for businesses to invest and grow.
- [Investing \\$7 million to support the mental health of small business owners through the BusinessBalance initiative](#). This includes expanding BeyondBlue's NewAccess program to small business owners to provide free, accessible and tailored support to help manage pressures during COVID-19, and expanding Deakin University's free accredited professional development program to build the mental health literacy of trusted business advisers like accountants.
- [Significantly reforming Australia's insolvency framework](#), providing more small businesses the flexibility to restructure while remaining in control of their businesses.
- [Simplifying Australia's credit framework](#) to ensure consumers and small businesses can get timely access to credit while maintaining strong consumer protections.
- [Reducing regulation and compliance costs](#), by cutting burdensome red tape in order to make businesses more competitive, efficient and productive.
- [Supporting business research and development](#), increasing the refundable R&D tax offset rate to 18.5 per cent and removing the annual cash refund cap for small claimants with less than \$20 million annual turnover.

The Government's economic support since the onset of the COVID-19 pandemic has been unprecedented and will continue to support households and businesses through the recovery.

Our JobMaker Plan will boost economic growth, create jobs, invest in our future industries and skills, remove red tape, guarantee essential services and restore confidence in a stronger recovery.

For more information go to business.gov.au or call on **13 28 46**