



### ATO Update

#### Extension to Small Business Instant Asset Write Off

Legislation has been passed to extend the Instant Asset Write to 30 June 2020. Part of the legislation also extended the threshold to \$30,000.

Therefore for the 2018/19 financial year there are three thresholds to consider (all exclusive of GST if you are registered for GST and can claim the GST):

1. Less than \$20,000, up until 28 January 2019;
2. Less than \$25,000, from 29 January 2019 to 2 April 2019;
3. Less than \$30,000, from 3 April 2019 to 30 June 2020;

Please note that the threshold to use for purchased assets is the date the asset was first used/installed ready for use in the business.

For any assets that cost \$30,000 or more, then the immediate write is not available, and the small business general pool or general depreciation rules must be used instead.

#### FBT Issues on the ATO's Radar

The ATO has updated its list of 'What attracts our attention', and some of the items relating to FBT include:

- ◆ Failing to report motor vehicle fringe benefits, incorrectly applying exemptions for vehicles, or incorrectly claiming reductions for these benefits.

**Please note that logbooks are now required for all utes that do more than 1,000km private use in a year.**

- ◆ Claiming entertainment expenses as a deduction, but not correctly reporting them as a fringe benefit, or incorrectly classifying entertainment expenses as sponsorship or advertising.

**Disclaimer:** Many of the comments in this publication are general in nature and anyone intending to apply the information to practical circumstances should seek professional advice to independently verify their interpretation and the information's applicability to their particular circumstances. If you no longer wish to receive any client@lerts from BCH Accountants contact [info@bchaccountants.com.au](mailto:info@bchaccountants.com.au) and insert **UNSUBSCRIBE** in the subject.

### Are You Interested In A Tax Planning Review?

With the end of financial year fast approaching, many of our business clients like to review their tax position and evaluate any year-end strategies that may be available to legitimately reduce their tax.

If you would like a review of your trading results for the current financial year before 30 June to discuss your options, please contact our office on (03) 5381-1088. We recommend that you make an appointment soon as appointments are filling up fast!

### On-Farm Emergency Water Infrastructure Rebate Scheme

The Victorian Government is offering a rebate to drought affected farmers who invest in urgently-needed on-farm water infrastructure that addresses **animal welfare needs**.

The Scheme provides a one-off 25 percent rebate up to \$25,000 (GST exclusive) to eligible primary producers for the costs associated with the purchase and installation of on-farm water infrastructure that addresses animal welfare needs and improves resilience to drought.

The On-Farm Emergency Water Infrastructure Rebate Scheme (the Scheme) is available for the purchase and installation of emergency water infrastructure for livestock.

The Scheme is available to eligible farm businesses in the following Local Government Areas:

Wellington	Wangaratta
East Gippsland	Wodonga
Swan Hill	Indigo
Gannawarra	Alpine
Loddon	Towong
Campaspe	Mildura
Greater Bendigo	Hindmarsh
Greater Shepparton	Yarriambiack
Moira	Buloke
Strathbogie	Horsham
Benalla	Northern Grampians

Please note that West Wimmera Shire is not included in the above list. Applicants from other areas will be considered on a case-by-case basis.

#### Eligible Activities

Water infrastructure must be purchased and installed for a **genuine emergency animal welfare** need and to improve drought resilience.

Eligible water infrastructure includes:

- a. Pipes;
- b. Water storage devices such as tanks and troughs associated with stock watering;
- c. Water pumps;
- d. Permanent repairs to fixed infrastructure (e.g. repair piping);
- e. Drilling of new stock water bores and associated power supply such as generators, desalination plants.

### In this issue

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### Staff Update

To assist you with planning appointments we wish to advise you of the following staff members work changes:

#### Fiona White

We are pleased to advise that Fiona joined the BCH team as a receptionist on 14<sup>th</sup> May 2019.

#### Ineligible Activities

The Scheme will **not** provide funding for (but is not limited to):

- a. Water infrastructure that has been purchased and installed where there is not an emergency animal need or the potential for this need;
- b. Water infrastructure that has been purchased and installed for uses other than to supply water for livestock;
- c. Water infrastructure for irrigation (including pasture, crop or fodder irrigation);
- d. Wages for your employees or your self-assessed labour or transport costs;
- e. Other types of on-farm infrastructure that do not relate to water improvements;
- f. Activities to which you have made a financial commitment prior to 1 July 2018.

#### Eligible Businesses

- a. Property owner, share farmer, or lease holder undertaking grazing livestock production;
- b. Your property is in one of the Local Government Areas (listed on the left);
- c. You are a primary producer that:
  - i. Has an ABN and registered for GST;
  - ii. You have a right or interest in the land for primary production;
  - iii. You contribute > 51% of your labour and capital to the farming enterprise, and normally earn > 51% of your income from the farm business; OR
  - iv. For farm businesses started between 1/7/2015 and 30/6/2018, 50% of your gross income will be from the primary production business within 3 years;
- d. Purchased eligible water infrastructure on/after 1 July 2018;
- e. You can demonstrate that your property has, or is at risk of an emergency animal welfare needs;

Note: this grant is independent from the Victorian Government On-Farm Drought Infrastructure Support Grant that some farmers have applied for previously.