



Federal Budget 2019-20 An election Budget and a Budget election

Dear AIBC Member

Last night, Treasurer Josh Frydenberg handed down a Federal Budget which will double as a platform for the Coalition's election promises. We expect that an election will be called shortly and Australians will go to the polls in May.

Despite some downside risks to the economy, increased tax collections and cost savings have resulted in an anticipated Budget surplus in 2019-20 of \$7.1 billion with further surpluses anticipated over the medium term.

In addition, the Government has invested in areas important to everyday Australians; health, infrastructure, education and individual tax relief.

[Click here to watch Chief Economist and DAE Partner Chris Richardson's analysis of the Federal Budget from Parliament House.](#)

The key announcements:

- Tax relief for low and middle-income earners from 2018-19 in the form of an increased tax offset of up to \$1,080. Changes to tax thresholds and rates starting from 1 July 2022 and 2024
- The instant asset write-off for small business will be increased from \$25,000 to \$30,000 and will be available to medium businesses with turnover up to \$50 million
- The ATO's Tax Avoidance Taskforce will receive an extra \$1 billion in funding over four years
- A \$525 million skills package to create 80,000 new apprenticeships
- There will be further investment in aged care funding and a focus on safety and quality
- There is an increase to the 10-year infrastructure budget from \$75 billion to \$100 billion.

If you would like to read more on the Federal Budget 2019-20, please download the report from the [Deloitte Federal Budget Brief 2019-20 page](#).

Hope you find this useful, and feel free to get in touch with me for any questions

Warm Regards
Harsh Shah



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