

## Australia enacts 2020-21 Federal Budget measures

### EY Tax News Update: Global Edition

EY's Tax News Update: Global Edition is a free, personalized email subscription service that allows you to receive EY Global Tax Alerts, newsletters, events, and thought leadership published across all areas of tax. Access more information about the tool and registration [here](#).

Also available is our [EY Global Tax Alert Library](#) on ey.com.

The following measures announced as part of the 2020-21 Federal Budget received royal assent and were enacted on 14 October 2020:

Measure	Application of amendments
Tax loss carrybacks for businesses with global revenue of less than AU\$5 billion	Apply to assessments made in the 2020-21 and 2021-22 income years (e.g., 31 December 2020 and 31 December 2021 for taxpayers with an Australian tax year end of 31 December (in lieu of the following 30 June))
Immediate expensing of eligible assets used or installed by 30 June 2022 for businesses with global revenue of less than AU\$5 billion	Apply to depreciating assets first held, and first used or installed ready for use from 7:30pm (AEDT) on 6 October 2020
Increased access to small business tax concessions for businesses with global revenue of less than AU\$50 million	Mostly income years starting on or after 1 July 2021, except for: <ul style="list-style-type: none"><li>► Fringe benefits: from 1 April 2021</li><li>► Prepaid and start-up expenses: On or after 1 July 2020</li></ul>
Significant changes to Australia's research and development tax incentive regime from 1 July 2021 onwards	Income years commencing on or after 1 July 2021

For details on the budget's provisions, see EY Global Tax Alert, [Australia issues 2020-21 Federal Budget](#), dated 7 October 2020.

For additional information with respect to this Alert, please contact the following:

**Ernst & Young (Australia), Sydney**

- |   |                            |
|---|----------------------------|
| ▶ Alf Capito, <i>Tax Policy Services</i>                          | alf.capito@au.ey.com       |
| ▶ Sean Monahan, <i>International Tax and Transaction Services</i> | sean.monahan@au.ey.com     |
| ▶ Antoinette Elias, <i>Financial Services</i>                     | antoinette.elias@au.ey.com |
| ▶ Anthony Seve, <i>Transfer Pricing</i>                           | anthony.seve@au.ey.com     |
| ▶ Colin Jones, <i>Built Environment and Resources</i>             | colin.jones@au.ey.com      |

**Ernst & Young (Australia), Perth**

- |   |                         |
|---|-------------------------|
| ▶ Scott Grimley, <i>Government Services, Health Life Sciences</i> | scott.grimley@au.ey.com |
|---|-------------------------|

**Ernst & Young (Australia), Melbourne**

- |   |                             |
|---|-----------------------------|
| ▶ Tony Merlo, <i>Tax Policy Services</i>                      | tony.merlo@au.ey.com        |
| ▶ Andrew van Dinter, <i>Global Compliance &amp; Reporting</i> | andrew.van.dinter@au.ey.com |
| ▶ Peter Janetzki, <i>Technology and Consumer Products</i>     | peter.janetzki@au.ey.com    |
| ▶ Anne Giugni, <i>People Advisory Services</i>                | anne.giugni@au.ey.com       |
| ▶ Brad Miller, <i>Indirect Tax</i>                            | brad.miller@au.ey.com       |

**Ernst & Young (Australia), Brisbane**

- |                                      |                       |
|--------------------------------------|-----------------------|
| ▶ Reid Zulpo, <i>Transaction Tax</i> | reid.zulpo@au.ey.com  |
| ▶ Ian Burgess, <i>Private</i>        | ian.burgess@au.ey.com |

**Ernst & Young (Australia), Canberra**

- |  |                      |
|--|----------------------|
| ▶ Todd Wills, <i>Business Tax Services</i> | todd.wills@au.ey.com |
|--|----------------------|

**Ernst & Young (New Zealand), Auckland**

- |                              |                          |
|------------------------------|--------------------------|
| ▶ Kirsty Keating, <i>Law</i> | kirsty.keating@nz.ey.com |
|------------------------------|--------------------------|

**Ernst & Young LLP (United States), Australian Tax Desk, New York**

- |               |                     |
|---------------|---------------------|
| ▶ David Burns | david.burns1@ey.com |
|---------------|---------------------|

**Ernst & Young LLP (United Kingdom), Australian Tax Desk, London**

- |              |                      |
|--------------|----------------------|
| ▶ Naomi Ross | naomi.ross@uk.ey.com |
|--------------|----------------------|

**About EY**

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

© 2020 EYGM Limited.  
All Rights Reserved.

EYG no. 000021-20Gbl

1508-1600216 NY  
ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

**[ey.com](https://ey.com)**