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Extending the immediate deductibility threshold for small business

On 9 May 2017, the Government announced an extension to the 2015-16 Budget measure providing an instant asset write-off provision for small business.

Small businesses can immediately deduct the business portion of most assets if they cost less than \$20,000 and were purchased between 7:30PM on 12 May 2015 and 30 June 2018.

This deduction is used for each asset that costs less than \$20,000, whether new or second-hand. You claim the deduction through your tax return, in the year the asset was first used or installed ready for use.

The current 'lock out' laws for simplified depreciation rules will continue to be suspended until 30 June 2018.

Legislation and supporting material

The [Treasury Laws Amendment \(Accelerated Depreciation For Small Business Entities\) Act 2017](#) (<https://www.legislation.gov.au/Details/C2017A00056>) received Royal Assent on 22 June 2017.

More information

- [2017-18 Budget Paper No. 2 - Revenue Measures page 21](http://budget.gov.au/2017-18/content/bp2/html/) (<http://budget.gov.au/2017-18/content/bp2/html/>)
- [Simpler depreciation for small business](/business/depreciation-and-capital-expenses-and-allowances/simpler-depreciation-for-small-business/) (</business/depreciation-and-capital-expenses-and-allowances/simpler-depreciation-for-small-business/>)

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