

[Home \(/\)](#) / [Ministers \(/ministers\)](#) / [The Hon Dr Jim Chalmers MP \(/ministers/jim-chalmers-2022\)](#)
/ [Media releases \(/ministers/jim-chalmers-2022/media-releases\)](#)
/ Albanese Government delivers over \$1.5 billion in new tax incentives for small and medium businesses

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Albanese Government delivers over \$1.5 billion in new tax incentives for small and medium businesses

Joint statement with

Julie Collins MP
Minister for Housing
Minister for Homelessness
Minister for Small Business

The Hon Stephen Jones MP
Assistant Treasurer and Minister for Financial Services

The Government is helping to supercharge Australia's small and medium businesses with the delivery of more than \$1.5 billion in new tax incentives.

The Parliament has today passed legislation to introduce two new tax incentives that support small and medium businesses to train and upskill employees and improve their digital and tech capacity.

Worth more than \$1.5 billion, the Technology Investment Boost and the Skills and Training Boost will be backdated to 29 March 2022 so small and medium businesses can receive the full benefits.

The Albanese Labor Government is delivering these tax incentives because we recognise that better trained workers and more productive small and medium businesses are a win-win for the economy.

Small and medium businesses with an annual turnover of less than \$50 million will have access to a bonus 20 per cent deduction for eligible expenditure on external training of employees by providers registered in Australia, until 30 June 2024.

Small and medium businesses will also have access to a bonus 20 per cent deduction that will support the uptake of digital technologies, until 30 June 2023.

Up to 3.8 million businesses in Australia will benefit from these new tax incentives. These businesses employ nearly 8 million workers.

The Government recognises that training employees is expensive and takes time, both of which are at a premium when employers are trying to run a small or medium business.

These measures will make it easier for small and medium businesses and help them recoup some of the costs of the investments they make in their employees and digital operations.

Treasurer Jim Chalmers said this investment would support small businesses around the country to boost their productivity and scale up.

“We recognise how important the small business community is to this country and to our national economy - that’s why we want to create more opportunities for them to grow and prosper.”

“When small businesses invest in digital technologies and upskilling staff, it boosts their productivity and drives economic growth.”

“That’s why we are making them law and backdating deductions so businesses are rewarded for the investments they’ve been making and can take advantage of this extra support.”

Minister for Small Business Julie Collins said the Albanese Government was delivering for small businesses.

“We know small businesses have had a difficult few years, so we’re working hard to deliver practical support to help them bounce back,” Minister Collins said.

“These new incentives passed today will set Australia’s small businesses up for more success.”

Assistant Treasurer and Minister for Financial Services, Stephen Jones said the Albanese Government is committed to investing in the future of Australian businesses.


“The Government is investing in small businesses, so they can the upskill employees, remain competitive in a rapidly changing technological landscape and take advantage of new opportunities for growth”.

“Millions of small businesses that have already invested in new technology this financial year will now to be eligible to make deductions this tax time. It’s great news at a time where small businesses most need cash flow support”.



The Hon Dr Jim Chalmers MP
Treasurer

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