



macmillan cowan & co

chartered accountants

MACBITES

THE HENRY REVIEW AND YOU

SUMMARY OF PROPOSED CHANGES

Of the Henry recommendations to be adopted by the Government, we have picked out the following announcements which may potentially impact on many of our clients.

We remind you that these items are **proposals only**.

Small Business (turnover less than \$2m) Company Tax Rate

- 28% from 2012/2013 tax year

Depreciation (from 2012/13 tax year)

- Immediate write-off for assets under \$5,000
- All other assets (excluding buildings) written off at 30% p.a.

Large Business (turnover more than \$2m) Company Tax Rate

- 29% from 2013/2014 tax year
- 28% from 2014/2015 tax year

Superannuation Employer Contributions

- Superannuation Guarantee Contributions gradually increased from 9% (commencing 1/7/13) to 12% by 1/7/2019, with the cut off age being increased to 75 years (good news if you're planning to be working past 70!)

Other Superannuation Changes

- Retention of the \$50,000 contribution cap for over 50's beyond 1/7/12 where super fund balance is less than \$500,000 (indexed)
- Government contribution of up to \$500 annually to those earning under \$37,000

Please call Paul Bongiorno or Geoff Cowan if you wish to discuss how these proposed changes may affect you.

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