

Accelerated Depreciation - Update briefing – April 2017

Due to the aggregated nature of the data we collect we are not able to provide specific information on the types of assets claimed using this concession.

However, during our compliance testing for this measure (further details below), compliance officers found that the increase in the threshold did influence small business owner's decision to purchase additional assets for their business.

Anecdotal evidence from the community and media indicates the measure has been reasonably well received. For example, there have been articles published with interviews with small business owners that indicate that small businesses are happy with the increased threshold, and some articles are suggesting that small business would prefer the concession be extended beyond 30 June 2017.

The below is an update to the data on the take-up of the accelerated depreciation measure, and is current as at as at 4 April 2017.

| | 2015/16* | | | 2014/15 | | | 2013/14 | | | 2012/13 | | |
|-----------------------|-----------------------------------|-----------------|----------|-----------------------------------|---------------|---------|-----------------------------------|---------------|---------|-----------------------------------|---------------|---------|
| | Instant Asset Write-off (label A) | | | Instant Asset Write-off (label A) | | | Instant Asset Write-off (label A) | | | Instant Asset Write-off (label A) | | |
| | Number of Claims | Dollar Value | Average | Number of Claims | Dollar Value | Average | Number of Claims | Dollar Value | Average | Number of Claims | Dollar Value | Average |
| Company (Item 10) | 41,830 | \$502,522,234 | \$12,013 | 30,097 | \$204,241,939 | \$6,786 | 26,030 | \$136,490,876 | \$5,244 | 36,692 | \$240,108,125 | \$6,544 |
| Individual (BPI P10) | 103,227 | \$530,445,242 | \$5,139 | 83,241 | \$253,802,075 | \$3,049 | 55,018 | \$113,650,008 | \$2,066 | 69,320 | \$199,919,720 | \$2,884 |
| Partnership (Item 48) | 31,524 | \$367,615,439 | \$11,661 | 22,871 | \$127,404,962 | \$5,571 | 21,207 | \$81,625,697 | \$3,849 | 30,051 | \$156,372,766 | \$5,204 |
| Trust (Item 49) | 24,217 | \$315,674,551 | \$13,035 | 17,333 | \$113,948,954 | \$6,574 | 15,343 | \$76,613,067 | \$4,993 | 21,702 | \$154,365,803 | \$7,113 |
| Total | 200,798 | \$1,716,257,466 | \$8,547 | 153,542 | \$699,397,930 | \$4,555 | 117,598 | \$408,379,648 | \$3,473 | 157,765 | \$750,766,414 | \$4,759 |

- Approximately 60 percent of entities have lodged their 2015-16 return.
- The average claim size (just over \$8,500 per taxpayer) for 2015-16 is 85 percent higher than the average claim for similar lodgment periods in 2014-15 and 2012-13.
- In the current tax return (2015-16) there is almost a 30 percent increase in taxpayers claiming the deduction since 2014-15.