

The logo for dfk crosbie, with 'dfk' in black and 'crosbie' in green.

Business Advisers and Accountants



Federal Budget

Tax and Accounting
Overview
2020 - 2021

Contents

- Highlights 4
 - Individuals..... 4
 - Business incentives and companies 4
 - Other tax measures..... 5
 - Superannuation..... 5
 - Social security..... 6
- Individuals 6
 - Individual income tax rate and tax offset changes brought forward..... 6
 - Income tax rates 6
 - Personal tax offsets 7
 - CGT exemption for granny flat arrangements 7
 - Income tax exemptions of International Monetary Fund and World Bank Group employees to be clarified.. 8
 - Business incentives and companies..... 8
 - Full expensing of eligible assets to 30 June 2022..... 8
 - JobMaker: Small business depreciation pools write-off extended 8
 - JobMaker: Instant asset write-off for companies with turnover between \$50m and \$500m 8
 - Research and development tax incentive changes..... 9
 - JobMaker Hiring Credit for employers creating new jobs 9
 - Temporary loss carry-back for corporate tax entities..... 10
 - Tax residency of foreign incorporated companies clarified..... 10
 - Victorian COVID-19 business support grants made non-assessable, non-exempt income 11
 - Increased funding for Australia’s foreign investment framework 11
 - Other tax measures 11
 - FBT exemption and deductions for retraining..... 11
 - Reduced FBT record keeping requirements 12
 - Deductible gift recipients list updated 12
 - List of exchange of information jurisdictions to be updated..... 13
 - COVID-19: Waiver of import duties for certain medical and hygiene products extended 13
 - Superannuation 13
 - Super will be paid to a new employee’s existing account..... 13
 - New interactive online YourSuper comparison tool 14
 - Holding funds to account for underperformance 14

Increasing trustee transparency and accountability.....14

Social security15

COVID-19 response package – further economic support and pandemic leave payments15

 Further economic support payments15

 Pandemic leave disaster payment15

COVID-19 response package – other social security and veteran affairs measures.....15

 Youth Allowance and ABSTUDY independence test.....15

 Encouraging young Australians to undertake seasonal work.....16

 Veterans’ disability pensions16

Highlights

2020/21 Federal Budget Highlights

The Federal Treasurer, Mr Josh Frydenberg, handed down the 2020/21 Federal Budget at 7:30 pm (AEDT) on 6 October 2020.

Australia's economic response to the COVID-19 pandemic in the form of the original and extended JobKeeper scheme, the cashflow boosts and the enhanced JobSeeker payment has come at a significant cost, Mr Frydenberg said, resulting in a budget deficit of \$213.7b, falling to \$66.9b by 2023/24.

The government has proposed to bring forward by two years individual tax cuts legislated to start in 2022/23, meaning as of the 2020/21 income year the 19% threshold will be lifted from \$37,000 to \$45,000 and the 32.5% threshold lifted from \$90,000 to \$120,000. The low and middle income tax offset will also be retained for an additional year.

The Budget has been described as an economic recovery plan which is "all about jobs" – with the introduction of a new JobMaker Hiring Credit scheme designed to give businesses incentives to take on additional young people seeking jobs. In a major boost to business investment, immediate deductions for asset purchases of any value will be available to businesses with a turnover of up to \$5b, until June 2022. Other measures include further refinement of proposed changes to the R&D incentive, FBT and CGT exemptions.

The Budget papers also list in an appendix, measures and policy decisions previously announced and published in the July 2020 Economic and Fiscal update.

The full Budget papers are available at www.budget.gov.au and the Treasury ministers' media releases are available at ministers.treasury.gov.au.

The tax, superannuation and social security highlights are set out below.

Individuals

- Individual income tax cuts for the 19% and 32.5% tax brackets will be brought forward two years to 1 July 2020, as will an increase to the low income tax offset. Planned removal of the low and middle income tax offset has been scrapped for one year.
- A targeted capital gains tax exemption will apply for granny flat arrangements where there is a formal written agreement in place.
- Income tax exemptions for individuals working for the International Monetary Fund and the World Bank Group to be clarified.

Business incentives and companies

- Business with aggregated annual turnover of up to \$5b will be able to deduct the full cost of eligible depreciable assets of any value in the year they are installed. The full expensing period is available from 7:30pm AEDT on 6 October 2020 to 30 June 2022.
- Small business depreciation pools may have up to 30 June 2022 to write-off their entire balances.
- Companies with turnover between \$50m and \$500m given additional six months to comply with instant asset write-off provisions.

- Businesses with turnover between \$10m and \$50m will have access to some existing small business tax concessions.
- The research and development (R&D) tax incentive is proposed to change from 1 July 2021. Small R&D entities to be entitled to an offset of 18.5 percentage points above their tax rate with no refundable limit. Large R&D entities will have intensity tiers reduced from three to two, with offsets of 8.5 and 16.5 percentage points above their tax rate.
- Eligible employers can claim a JobMaker Hiring Credit of up to \$200 per week for each additional new job they create for an eligible employee from 7 October 2020 to 6 October 2021.
- The apprenticeship wage subsidy will be further expanded by JobMaker.
- Eligible companies with turnover up to \$5b will be able to offset tax losses against prior year taxed profits to generate a refund.
- Companies that are incorporated offshore will be treated as Australian tax residents where there is a significant economic connection to Australia.
- Victorian business support grants will be made non-assessable, non-exempt income for tax purposes.
- Australia will increase funding to strengthen its foreign investment framework.

Other tax measures

- Employer-provided retraining and reskilling for redundant, or soon to be redundant, employees will be exempt from fringe benefits tax.
- Employers will be allowed to use existing corporate records, rather than prescribed records, to comply with their fringe benefits tax obligations.
- Seven more organisations have been approved as specifically listed deductible gift recipients.
- The list of jurisdictions that have an information sharing agreement with Australia will be updated.
- The import duty waiver for certain medical and hygiene products used against COVID-19 will be extended.

Superannuation

- Individuals will keep their existing superannuation fund when they change jobs. Employers will pay super to a new employee's existing fund rather than creating a new account.
- An interactive online comparison tool will help individuals decide on the best superannuation product to meet their needs.
- From July 2021, APRA will conduct benchmarking tests on the net investment performance of MySuper products and prohibit underperforming products from receiving new members.
- Superannuation trustees will be required to comply with a new duty to act in the best financial interests of members.

Social security

- Two separate \$250 economic support payments will be provided to eligible recipients. The first payment will be made from November 2020 and the second from early 2021. A one-off \$1,500 pandemic leave payment will be made to eligible individuals who are unable to work and earn income while under a direction to self-isolate, quarantine or who are caring for someone who has tested positive to COVID-19.
- The independence test for Youth Allowance and ABSTUDY will be temporarily revised from 1 January 2021. Young people who are seeking to qualify as independent for the purposes of assessing Youth Allowance (student) and ABSTUDY payment eligibility will also be provided with incentives to participate in seasonal work in the agricultural industry. Veterans' disability pensions will be exempt from the income test for Commonwealth Rent Assistance (CRA) and income support payments.

Individuals

Individual income tax rate and tax offset changes brought forward

The legislated changes to the individual income tax rates will be brought forward from 1 July 2022 to 1 July 2020. Individual tax offsets will be realigned from 1 July 2020, with the legislated increase to the low income tax offset (LITO) brought forward, and the low and middle income tax offset (LMITO) retained for one year.

Income tax rates

The 2019/20 Federal Budget announced a 3 phase personal income tax plan, commencing from the 2018/19 income year. The second phase of the plan included changes to the 19% and 32.5% tax brackets. The 2020/21 Federal Budget intends to bring these changes forward from 1 July 2022 to 1 July 2020.

The changes include:

- raising the 19% bracket from \$37,000 to \$45,000, and
- raising the 32.5% bracket from \$90,000 to \$120,000.

The proposed income tax brackets from 1 July 2020 are as follows.

Minimum	Maximum	Tax on minimum	Tax rate on excess
–	\$18,200	–	0%
\$18,201	\$45,000	–	19%
\$45,001	\$120,000	\$5,092	32.5%
\$120,001	\$180,000	\$29,466	37%
\$180,001	and above	\$51,666	45%

The above will apply until 30 June 2024. The legislated changes as part of stage 3 of the personal income tax plan are unchanged and will commence on 1 July 2024.

Personal tax offsets

With the commencement of phase 2 of the personal income tax plan from 2020/21, changes to LITO will also be brought forward two years to 1 July 2020.

From 1 July 2020, LITO will increase from \$445 to \$700. Individuals who have a taxable income below \$37,500 will be entitled to the full non-refundable tax offset. Above this amount, LITO is tapered off at two different levels. Individuals with taxable incomes between:

- \$37,500 and \$45,000 will be tapered off at 5 cents per dollar, and
- \$45,000 and \$66,667 will be tapered off at 1.5 cents per dollar.

Phase 2 of the plan previously marked the end of LMITO, introduced as a temporary measure in the 2019/20 Federal Budget. Despite phase 2 being brought forward, LMITO will remain in place for the 2020/21 income year. The LMITO rates are as follows:

Taxable income	Low and middle income tax offset
Less than \$37,000	\$255
Between \$37,000 and \$48,000	Increasing by 7.5c per \$1, capped at \$1,080
Between \$48,000 and \$90,000	Maximum \$1,080
Between \$90,000 and \$126,000	Reducing from maximum at 3c per \$1
Above \$126,000	\$0

The new effective tax-free threshold for individual Australian tax residents is \$23,226 for the 2020/21 income year.

Source: Budget Paper No 2, pp 18-19; Glossy "Tax relief to back hard-working Australians and to create more jobs".

CGT exemption for granny flat arrangements

A targeted capital gains tax exemption will apply for granny flat arrangements where there is a formal written agreement in place.

Capital gains tax will not apply to the creation, variation or termination of formal written granny flat arrangements providing accommodation for older Australians or people with disabilities. The exemption will only apply to arrangements entered into because of family relationships or other personal ties and does not apply to commercial rental arrangements.

This measure will commence as early as 1 July 2021, subject to the passing of legislation.

Source: Budget Paper No 2, pp 23-24; Treasurer and Minister for Housing and Assistant Treasurer's media release "Removing Capital Gains Tax for Granny Flats", 5 October 2020.

Income tax exemptions of International Monetary Fund and World Bank Group employees to be clarified

The Government has announced that it will clarify the income tax exemptions for Australian individuals engaged by the International Monetary Fund (IMF) and the three institutions of the World Bank Group (WBG).

This will mean that experts working for these organisations on a short-term basis will be exempt from income tax. This is consistent with Australia's support for, and contributions to, the IMF and WBG.

Source: Budget Paper No 2, p 22.

Business incentives and companies **Full expensing of eligible assets to 30 June 2022**

The full cost of an eligible capital asset that is acquired after 7:30pm AEDT on 6 October 2020 and first used or installed ready for use by 30 June 2022 may be fully deducted. This deduction is available for any business with an aggregated annual turnover of less than \$5b.

The full expense will be available in the income year the eligible capital asset is first used or installed ready for use. The outright deduction may also be available for the cost of improvements to existing eligible depreciable assets during the full expensing period.

An eligible depreciable asset of any value is eligible for full expensing.

Small and medium sized businesses (those with an aggregated annual turnover of less than \$50m) can fully deduct second-hand assets purchased and installed during the eligible period.

Source: Budget Paper No 2, p 20; Glossy "Lower taxes – Supporting households, driving investment and creating jobs", pp 9-10.

JobMaker: Small business depreciation pools write-off extended

Small businesses using simplified depreciation pools can deduct the entire balance of the pool at the end of the income year while full expensing applies. This means that effectively, the small business depreciation pools may have up to 30 June 2022 to access this asset write-off concession.

Source: Budget Paper No 2, p 20.

JobMaker: Instant asset write-off for companies with turnover between \$50m and \$500m

Under the enhanced instant asset write-off, businesses with an aggregated annual turnover of between \$50m and \$500m can deduct the full cost of an asset costing less than \$150,000, if purchased by 31 December 2020. These businesses will now be afforded an additional six months, until 30 June 2021, to first use or install these assets ready for use.

Source: Budget Paper No 2, p 20; Glossy "Lower Taxes – Supporting households, driving investment and creating jobs", p 9.

Research and development tax incentive changes

The research and development (R&D) tax incentive will be adjusted from 1 July 2021. The 2020/21 Federal Budget amends changes to the incentive last announced in the 2019/20 MYEFO measure, which was tabled in parliament as a government Bill in December 2019.

The proposed changes to the current government Bill depend on whether the entity is a small or large R&D entity. An R&D entity is defined as small if their aggregated annual turnover is less than \$20m during the claim year.

Small R&D entities:

- will be eligible for a refundable R&D tax offset of 18.5 percentage points above their company tax rate, up from 13.5 percentage points
- will no longer have an upper R&D tax offset limit of \$4m.

Large R&D entities:

- will move from three intensity-based offset tiers to two
- will be eligible for a non-refundable R&D tax offset of 8.5 percentage points above the claimant's company tax rate for notional deductions between 0% and 2% of total expenses
- will be eligible for a further non-refundable R&D tax offset of 16.5 percentage points above the claimant's company tax rate for notional deductions over 2% of total expenses.

The proposed increase of the R&D expenditure threshold from \$100m to \$150m will not change.

Source: Budget Paper No 2, pp 19-20; Glossy "Economic Recovery Plan for Australia – JobMaker – Creating jobs and rebuilding our economy", p 38.

JobMaker Hiring Credit for employers creating new jobs

Eligible employers can claim a JobMaker Hiring Credit for each additional new job they create for an eligible employee from 7 October 2020 to 6 October 2021.

The JobMaker Hiring Credit will be available from the date of employment for up to 12 months and capped at \$10,400 for each additional new position created. Eligible employers will receive \$200 per week if they hire an eligible employee aged 16 to 29 years, or \$100 per week if they hire an eligible employee aged 30 to 35 years.

There are specific "additionality criteria" to be met to be an eligible employer, including demonstrating that there is an increase in the total employee headcount and payroll of the business. Other employer eligibility criteria include being registered for PAYG withholding and reporting through Single Touch Payroll. Employers do not need to satisfy a fall in turnover test. The Jobmaker Hiring Credit will also not be available to employers who are claiming the JobKeeper payment.

The employee must have worked at least 20 hours per week, averaged over a quarter and received the JobSeeker Payment, Youth Allowance (Other) or Parenting Payment for at least one month out of the three months before they were hired.

The credit will be available for each additional new job created for an eligible employee from 7 October 2020 until 6 October 2021. It will be claimed quarterly in arrears from the ATO starting from 1 February 2021.

Source: Budget Paper No 2, p 162; Glossy "JobMaker Hiring Credit", pp 1-3.

JobMaker: Apprenticeship wage subsidy expanded

The apprenticeship wage subsidy program announced in the July 2020 Economic and Fiscal Update, will be expanded to allow businesses of any size to claim the subsidy.

Eligible businesses that employ apprentices or trainees will be eligible to receive up to a 50% wage subsidy, up to \$7,000 per quarter, capped at 100,000 places. This new measure will run from 5 October 2020 to 30 September 2021.

Source: Budget Paper No 2, p 77; Glossy "JobMaker – Creating jobs and rebuilding our economy", p 5.

Temporary loss carry-back for corporate tax entities

Eligible companies with turnover up to \$5b will be able to offset tax losses against prior year taxed profits to generate a refund.

Under the measure, losses incurred in the 2019/20, 2020/21 or 2021/22 income years may be carried back against profits made in or after the 2018/19 income year. Eligible companies may elect to receive the tax refund when they lodge their 2020/21 and 2021/22 tax returns. The tax loss carried back cannot exceed the prior year taxed profits or generate a franking account deficit.

Currently, companies are required to carry losses forward to offset taxable profits in future years.

Companies that do not elect to carry back losses will continue to carry losses forward as normal.

Source: Budget Paper No 2, p 21; Glossy "Lower taxes – Supporting households, driving investment and creating jobs", p 11.

Tax residency of foreign incorporated companies clarified

Companies that are incorporated offshore will be treated as Australian tax residents where there is a "significant economic connection to Australia".

The test will be satisfied where both the company's core commercial activities are undertaken in Australia, and its central management and control is in Australia.

The amendments clarifying the corporate residency test will be optional to apply from 15 March 2017 and will otherwise have effect from the first income year after the date of royal assent of the enabling legislation.

Source: Budget Paper No 2, pp 13-14.

Victorian COVID-19 business support grants made non-assessable, non-exempt income

The Victorian Government's business support grants as announced on 13 September 2020 for small and medium businesses will be made non-assessable, non-exempt (NANE) income for tax purposes.

This concession will be extended to all states and territories on an application basis. To be eligible, grants will have to be announced on or after 13 September 2020, and payments made between 13 September 2020 and 30 June 2021. A new power will enable the government to make regulations to ensure that specified state and territory COVID-19 business support grant payments are NANE income.

Source: Budget Paper No 2, p 15.

Increased funding for Australia's foreign investment framework

Funding will be provided to implement a new information and communication technology platform and a new consolidated Register of Foreign Ownership of Australian Assets. This is in addition to the funding announced in the July 2020 Economic and Fiscal Update.

The foreign investment fee framework will be simplified and adjusted from 1 January 2021, to ensure foreign investors bear the cost of administering the system.

Source: Budget Paper No 2, p 23.

Other tax measures

FBT exemption and deductions for retraining

Employer-provided retraining and reskilling for redundant, or soon to be redundant, employees will be exempt from fringe benefits tax.

Currently, employers providing training that is not sufficiently connected to an employee's current employment may be subject to fringe benefits tax. The exemption will apply for retraining towards a position within or outside of the employer's business. Retraining provided through a salary packaging arrangement or commonwealth supported places at universities will not be eligible for the exemption.

When enacted, the exemption will apply from 2 October 2020.

Changes to tax deduction rules for self-education expenses unrelated to current employment will also be considered by the government in consultations.

Source: Budget Paper No 2, p 15; Glossy "Lower taxes – Supporting households, driving investment and creating jobs", p 15; Treasurer and Minister for Housing & Assistant Treasurer's media release "Boost for skills training with fringe benefits tax exemption", 2 October 2020.

Reduced FBT record keeping requirements

Employers will be allowed to use existing corporate records, rather than prescribed records, to comply with their fringe benefits tax obligations.

The fringe benefits tax legislation prescribes the form certain records must take, often requiring employers to create additional records and employee declarations. The Commissioner of Taxation will have the power to determine adequate alternative records, allowing employers to rely on existing corporate records and reduce compliance costs.

The measure will have effect from the start of the first fringe benefits tax year (starting on 1 April) after the date of royal assent of the enabling legislation.

Source: Budget Paper No 2, pp 15-16; Glossy "Lower taxes – supporting households, driving investment and creating jobs", p 14.

Deductible gift recipients list updated

- Since the July 2020 Economic and Fiscal Update, the following organisations have been approved as specifically listed deductible gift recipients:
- Royal Agricultural Society Foundation Limited from 1 July 2020
- Judith Neilson Institute for Journalism and Ideas from 1 July 2020
- The Andy Thomas Space Foundation from 1 July 2020
- The Royal Humane Society of New South Wales from 1 July 2020
- Youthsafe from 1 July 2020
- Alliance for Journalists' Freedom from 1 July 2020, and
- The Great Synagogue Foundation Trust Fund from 1 July 2020 to 30 June 2025.

The following organisations have also received approval for an extension of their deductible gift recipient status:

- Sydney Chevra Kadisha from 1 January 2021 to 30 June 2022 – deductible gift recipient status extended by 18 months, and
- Centre for Entrepreneurial Research and Innovation Limited – deductible gift recipient status retained from 31 December 2021 onwards.

The specific listing of China Matters Limited from 1 July 2019 to 30 June 2024 will not proceed.

Taxpayers may claim an income tax deduction for gifts of \$2 or more to specifically listed deductible gift recipients.

Source: Budget Paper No 2, pp 21-22.

List of exchange of information jurisdictions to be updated

The list of jurisdictions that have an information sharing agreement with Australia will be updated.

The following countries will be added to the existing 122 jurisdictions: Dominican Republic, Ecuador, El Salvador, Hong Kong, Jamaica, Kuwait, Morocco, North Macedonia and Serbia.

Kenya will be removed from the list because it had not yet entered into an information sharing agreement with Australia as of January 2020.

Residents of listed jurisdictions will be eligible to access the reduced managed investment trust withholding rate of 15% on some distributions, instead of the default rate of 30%.

The updated list will be effective from 1 July 2021.

Source: Budget Paper No 2, p 17.

COVID-19: Waiver of import duties for certain medical and hygiene products extended

The waiver of import duties for certain hygiene or medical products used to treat, diagnose or prevent the spread of COVID-19 has been extended from 1 August 2020 to 31 December 2020. Products affected by the waiver extension include face masks, gloves, disinfectants, soaps, COVID-19 test kits, and viral transport media.

Source: Budget Paper No 2, p 8.

Superannuation

Super will be paid to a new employee's existing account

An existing superannuation account will be "stapled" to a member to avoid the creation of a new account when that person changes their employment.

By July 2021 if an employee does not nominate an account at the time they start a new job, employers will pay their superannuation contributions to their existing fund. Employers will obtain information about the employee's existing superannuation fund from the ATO.

If an employee does not have an existing superannuation account and does not elect a fund, the employer will pay the employee's superannuation into their nominated default superannuation fund.

Source: Budget Paper No 2, p 165; Glossy "Your Future, Your Super", p 2.

New interactive online YourSuper comparison tool

An interactive online comparison tool will help individuals decide on the best superannuation product to meet their needs.

By 1 July 2021, the YourSuper online tool will:

- provide a table of simple superannuation products (MySuper) ranked by fees and investment returns
- link to superannuation fund websites where individuals can choose a MySuper product, and
- prompt individuals with multiple accounts to consider consolidating accounts.

Source: Budget Paper No 2, p 164; Glossy “Your Future, Your Super”, p 2.

Holding funds to account for underperformance

From July 2021, APRA will conduct benchmarking tests on the net investment performance of MySuper products. Products that have underperformed over two consecutive annual tests will be prohibited from receiving new members until a further annual test shows that they are no longer underperforming.

If a fund is deemed to be underperforming, it will need to inform its members by 1 October 2021 and also provide them with information about the YourSuper comparison tool.

Underperforming funds will be listed as underperforming on the YourSuper comparison tool until their performance improves.

Non-MySuper accumulation products where the decisions of the trustee determine member outcomes will be added from 1 July 2022.

This initiative will be funded through an increase in levies on regulated financial institutions.

Source: Budget Paper No 2, p 165; Glossy “Your Future, Your Super”, p 3.

Increasing trustee transparency and accountability

By July 2021 superannuation trustees will be required to comply with a new duty to act in the best financial interests of members. Trustees must demonstrate a reasonable basis to support their actions as being consistent with a members’ best financial interests.

Trustees will need to provide members with key information regarding how they manage and spend the fund’s money in advance of annual members’ meetings.

Source: Budget Paper No 2, p 165; Glossy “Your Future, Your Super”, p 3.

Social security

COVID-19 response package – further economic support and pandemic leave payments

Further economic support payments

Two separate \$250 economic support payments will be provided to eligible recipients. The first payment will be made from November 2020 and the second from early 2021.

Payments will be made to eligible recipients of the following benefits and health care card holders:

- Age Pension
- Disability Support Pension
- Carer Payment
- Family Tax Benefit, including Double Orphan Pension (not in receipt of a primary income support payment)
- Carer Allowance (not in receipt of a primary income support payment)
- Pensioner Concession Card holders (not in receipt of a primary income support payment)
- Commonwealth Seniors Health Card holders
- eligible Veterans' Affairs payment recipients and concession card holders.

The payments will be exempt from tax and will not count as income support for the purposes of any income support payment.

Pandemic leave disaster payment

A one-off payment of \$1,500 will be made to eligible workers in states that have agreed to partner with the Commonwealth under the Pandemic Leave Disaster Payment arrangements. The payment will assist eligible individuals who are unable to work and earn income while under a direction to self-isolate, quarantine or who are caring for someone who has tested positive to COVID-19.

Source: Budget Paper No 2, pp 107, 151-152.

COVID-19 response package – other social security and veteran affairs measures

Youth Allowance and ABSTUDY independence test

The independence test for Youth Allowance and ABSTUDY will be temporarily revised from 1 January 2021. Under the exemption, the six-month period between 25 March 2020 and 24 September 2020 will automatically be recognised as contributing to an applicant's independence test, regardless of whether they meet employment requirements.

Encouraging young Australians to undertake seasonal work

Young people who are seeking to qualify as independent for the purposes of assessing Youth Allowance (student) and ABSTUDY payment eligibility will be provided with incentives to participate in seasonal work in the agricultural industry.

From 1 December 2020, those who earn at least \$15,000 in the agricultural industry between 30 November 2020 and 31 December 2021 would be automatically assessed as meeting independence requirements, provided their parents meet current parenting income test requirements.

Veterans' disability pensions

Veterans' disability pensions will be exempt from the income test for Commonwealth Rent Assistance (CRA) and income support payments. This will result in more veterans becoming eligible for CRA and remove the need for the Defence Force Income Support Allowance.

Source: Budget Paper No 2, pp 152, 155, 168.

The logo for dfk crosbie, with 'dfk' in black and 'crosbie' in green.

Business Advisers and Accountants

www.dfkcrosbie.com.au

Newcastle | Sydney