

# 2020 Budget Bites

## Tourism & Hospitality



### Key takeaways

- Regional tourism recovery - \$250m across nine regions including Gold Coast, Phillip Island, Tasmania and Tropical North Queensland.
- 50% wage subsidy for apprentice or trainee till 31 March 2021
- Temporary loss carry back measures for companies for 2021 and 2022 financial years.
- Personal income tax cuts back dated to 1 July 2020.
- Extension of instant assets write off to 30 June 2022.
- JobMaker hiring credit open for the next twelve months for employment of eligible young people aged between 16-35.

### Impacts to your business

- Administrative changes on adjustments of PAYG withholding tax (relating to personal income tax cut).
- Assess apprentices and/or trainees to determine eligibility for 50% wage subsidy.
- Assess new hiring for eligibility for Job Maker hiring credit.
- Quantify 2019 and 2020 financial years tax positions to determine eligibility for tax refunds on current and future year loss.
- Review capital expenditure planned for instant asset write off .

### Opportunities for growth and stability

- Regional tourism recovery
- 50% wages subsidy for apprentice and trainee
- Job Maker hiring credit

### Did the Budget deliver what you ordered?

The regional tourism recovery grants are welcomed. More targeted support was needed for the accommodation and hospitality sectors because the instant asset write off and loss carry back rules will have limited short-term impact noting current cash flow constraint.

It has been an extraordinary year of upheaval as the nation grapples with the effects of COVID-19 and we recognise that everyone has been impacted in different ways. Reach out to our experts below for assistance navigating the implications and opportunities this Budget presents for you, your business and your industry.



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