

Federal Budget summary 2024-25

Measures and start dates at a glance

General	Application Date
<p>Amendments to previously announced measures:</p> <ul style="list-style-type: none"> ▪ Australian plantation forestry entities are exempt from the new earnings-based test, thin capitalisation rules ▪ giving the Commissioner a discretion not to use a taxpayer's refund to offset old tax debts — where the old tax debt was put on hold before 1 January 2017 ▪ extending income tax exemption to World Rugby and/or related entities in relation to income from Rugby World Cup events for the 2023–24 to 2030–31 income years (incl.) 	
<p>Deferring the start date for:</p> <ul style="list-style-type: none"> ▪ Tax Integrity — expanding the general anti-avoidance rule in the income tax law ▪ changing the start dates for certain components of the Streamlining excise administration for fuel and alcohol package 	<p>Income years starting on or after the day the amending legislation receives Royal Assent</p> <p>The day after Royal Assent</p>
<p>Measures not proceeding:</p> <ul style="list-style-type: none"> ▪ Denying deductions for payments relating to intangibles held in low- or no-tax jurisdictions measure - announced in the 2022–23 October ▪ Previous Government's 2019 –20 Budget measure Black Economy – strengthening the Australian Business Number system 	



Individuals	
Tax cuts have been legislated for all 13.6 million Australian taxpayers	2024–25 and later income years
Increasing the Medicare levy low-income thresholds	From 1 July 2023
Indexation on HELP debt to be capped to the lower of either the CPI or the WPI	1 June 2023
Business	
Instant asset write-off threshold temporarily increased to \$20,000	From 1 July 2024 until 30 June 2025
Two time-limited tax incentives to invest in new industries: <ul style="list-style-type: none">▪ Critical Minerals Production Tax Incentive to support downstream refining and processing of Australia’s 31 critical minerals to improve supply chain resilience▪ Hydrogen Production Tax Incentive to producers of renewable hydrogen to support the growth of a competitive hydrogen industry.	2027–28 to the 2040–41 income years
Extension and expansion of the Energy Bill Relief Fund Around one million small businesses will receive \$325 off their bills over 2024–25 (households will also have \$300 credit automatically applied to their electricity bills)	Funding for three years from 1 July 2024 From 1 July 2024
Funding to support small business by: <ul style="list-style-type: none">▪ improving payment times to small businesses▪ supporting mental health and financial wellbeing of small business owners▪ ensuring confidence in the franchising sector providing small business with better access to justice	Funding for four years from 2024–25



<p>Proposed changes to the Producer Tax Offset to remove:</p> <ul style="list-style-type: none">▪ the minimum length requirements for content▪ the above-the-line cap of 20 per cent of total qualifying production expenditure.	2025–26 income year
International	
<p>Strengthen the foreign resident CGT regime by:</p> <ul style="list-style-type: none">▪ clarifying and broadening the types of assets on which foreign residents are subject to CGT▪ amending the point-in-time principal asset test to a 365-day testing period▪ requiring foreign residents disposing of shares and other membership interests exceeding \$20 million in value to notify the ATO, prior to the transaction being executed.	CGT events commencing on or after 1 July 2025
Superannuation	
<p>The Government will pay superannuation on Commonwealth government-funded paid parental leave</p>	Births and adoptions on or after 1 July 2025
<p>Funding to support the progression of the Government’s workplace relations agenda, including:</p> <ul style="list-style-type: none">▪ pursuing unpaid superannuation entitlements owed by employers in liquidation or bankruptcy from 1 July 2024▪ supporting workplaces to implement policy changes such as the introduction of payday superannuation.	Funding for four years from 2024–25
<p>Funding to support the delivery of Government priorities in the Finance and Treasury portfolio including:</p> <ul style="list-style-type: none">▪ Implement the 2023–24 Budget measure Better Targeted Superannuation Concessions for members of Commonwealth defined benefit schemes▪ SuperStream Gateway Network Governance Body	Funding over four years from 2024-25



Compliance	
Extend the Tax Avoidance Taskforce	Funding over two years from 1 July 2026
Extend the Personal Income Tax Compliance Program	Funding for one year from 1 July 2027
Extend the Shadow Economy Compliance Program	Funding for two years from 1 July 2026
ATO funding to strengthen its ability to detect, prevent and mitigate fraud against the tax and superannuation systems	Funding for two years from 1 July 2024
Funding for the ATO for various matters including: <ul style="list-style-type: none"> ▪ requirements of existing and new child care providers (relating to the Child Care Subsidy Program) ▪ improving the Government’s Digital ID, myGovID and other systems ▪ data-matching pilot between the Department of Home Affairs and the ATO ▪ overseeing / operating the secure eInvoicing network 	Various
Other	
Funding to strengthen Australia’s Anti-Money Laundering and Counter-Terrorism Financing Act 2006, to enhance Australia’s ability to detect and disrupt illicit financing.	Funding over four years from 2024–25
Extension of transitional reporting for charities and updates to specifically listed DGRs	Various
Women’s Budget Statement — various measures that focus on four priorities	Various
Funding to modernise regulatory frameworks for financial services to improve competition and consumer protections for services enabled by new technology.	Funding over four years from 2024–25
Funding to implement a social security means test treatment for the military invalidity payments affected by the Federal Court’s decision in <i>FCT v Douglas</i> [2020] FCAFC 220.	Funding over five years from 2023–24



Funding to deliver key aged care reforms and to continue to implement recommendations from the Royal Commission into Aged Care Quality and Safety.	Funding over five years from 2023–24
New Aged Care Act — deferred commencement date	1 July 2025
Social security deeming rates will freeze at their current levy	Until 30 June 2025
Increased flexibility for recipients of Carer Payment —the existing 25 hour per week participation limit will be amended to 100 hours over four weeks.	From 20 March 2025
Commonwealth Rent Assistance maximum rates to be increased by 10 per cent	20 September 2024
Eligibility for the existing higher rate of JobSeeker payments has been extended	20 September 2024