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## **CLIENT NEWSLETTER**

**15 January 2009**

### **Temporary Investment Allowance for Business Taxpayers**

As part of its initiatives to avoid a recession in Australia, the Government has announced the introduction of an investment allowance for capital expenditure incurred by business between midnight on 12 December 2008 and 30 June 2009. The investment allowance involves an additional tax deduction of 10%.

The investment allowance will be available for businesses who start to hold or start to construct an asset after 12.01am AEDT 13 December 2008 and before the end of June 2009. Assets must be ready for use by the end of June 2010 in order to qualify for the allowance.

The allowance will be applicable to most new tangible depreciating assets - which includes most items of plant and equipment - over \$10,000 which are acquired or ordered by the end of the current financial year. Where an asset is partly used for private or non-taxable purposes, only the portion that is used for a taxable purpose in carrying on a business will count towards meeting the threshold.

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### **What is "OBM"? Open Book Management**

The success of OBM is evident. Because OBM gets team members to feel, think and act like business owners, everybody is working towards improving the efficiency and effectiveness of the business – and therefore the financial results.

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