

Primary producers given a boost under changed depreciation rules

By Ryan Curry – 16 June 2016

A reminder that following the 2015/2016 Federal Budget, there was a significant improvement to depreciation rules for primary producers and their water facilities assets.

From 7.30pm (AEST), 12 May 2015, primary producers are allowed to immediately deduct capital expenditure on water facilities, such as tanks, dams, bores, pumps and windmills.

The measures represent a significant improvement by providing an *immediate* tax deduction for water facilities for ALL primary producers.

The immediate deduction is available to ALL primary producers for water facility assets once the capital expenditure has been 'incurred' *.

This means if you order now before 30 June 2016 you can gain access to the immediate deduction on water facility assets this tax year.

** An expense is generally incurred once you have committed to pay for an item with a deposit or progress payment.*



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