

BROOKFIELD

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HOW DOES THE INSTANT ASSET WRITE OFF SAVE ME MONEY?

SCENARIO:

I have purchased a new BROOKFIELD asset for \$100 000.00; I qualify for the Instant Asset Write Off; and I have a marginal taxable income rate of 27.5%.

PURCHASE PRICE	DEPRECIATION FOR THIS YEAR	TAX SAVING	REAL COST FOR THIS YEAR
OLD SYSTEM			
\$100 000.00	\$15 000.00 $\$100\,000.00 \times 15\% = \$15\,000.00$	\$4 125.00 $\$15\,000.00 \times 30\% = \$4\,125.00$	<u>\$95 875.00</u> $\$100\,000.00 - \$4\,125.00 = \$95\,875.00$
2020 INSTANT ASSET WRITE OFF SYSTEM			
\$100 000.00	\$100 000.00 100% cost allocated to this years depreciation	\$27 500.00 $100\,000.00 \times 27.5\% = \$27\,500.00$	<u>\$72 500.00</u> $\$100\,000.00 - \$27\,500.00 = \$72\,500.00$
<p><u>I COULD SAVE OVER \$23 000.00 BY PURCHASING BEFORE JUNE 30th 2020 THAT'S ALMOST ¼ PAID FOR BY THE GOVERNMENT</u></p>			<p>\$95 875.00 - <u>\$72 500.00</u> \$23 375.00</p>

Order today and take advantage of the savings in this financial year.

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NOTE: This information is general in nature. The scenario assume that the relevant legislation is passed and the taxpayer meets the guidelines for deductibility of the expense. Tax benefits will vary between taxpayers depending on their personal circumstances and marginal tax rates. You should check your specific circumstances with your accountant, tax adviser and bank.



FARMING THE FUTURE