

Year End Tax Bulletin June 2026

What the 2026 Federal Budget Means for You

Biggest Tax Changes in 25 Years!

INDIVIDUALS

SMALL BUSINESS

SUPERANNUATION

TRUSTS

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- Small Business Owners
- Superannuation
- Discretionary Trusts & Bucket Companies

OUR FEES

Service	Fee
Basic Personal Tax Return	\$209
Rental Property	\$330 minimum fee
Business Tax Return	\$363 minimum fee
Under 21 Basic Personal Tax Return	\$104.50 minimum fee
Company / Complex Returns	\$308 per hour

The above prices assume that our fee is paid on the day but should you want the fee deducted from your tax return then add \$33. Weekend appointments are available on Saturday 9.00am – 5.00pm from July – August 2026 Tax Season.

Our aim is to minimise your tax expense and maximise your refunds and rewards. We are experienced in tax and business planning, investment property planning and small businesses. *Experience, expertise and excellence – it's how we create a better financial future for you.*

REFER A FRIEND & SAVE 10%

Refer our services to friends, family or associates and receive 10% off your next tax return. Present your referral voucher at our office to have it validated.

INDIVIDUALS

Income Tax Rates – Key Changes

The 2026 Federal Budget confirmed the previously legislated tax cuts and introduced new measures. Here is a summary of rates:

Income Range	2025–26	2026–27	2027–28
\$0 – \$18,200	0%	0%	0%
\$18,201 – \$45,000	16%	15%	14%
\$45,001 – \$135,000	30%	30%	30%
\$135,001 – \$190,000	37%	37%	37%
\$190,001+	45%	45%	45%

* Not including the 2% Medicare Levy

Previously Announced Income Tax Cuts Still Coming

The tax rate on income between \$18,201 and \$45,000 drops to **15% from 1 July 2026**, and to **14% from 1 July 2027**. These cuts were already legislated and are now locked in.

New \$250 Tax Offset for Workers from 2028

A new "**Working Australians Tax Offset**" (WATO) of up to \$250 will be automatically applied to the 2028 Tax Returns of all 13.3 million Australian workers – on top of the income tax cuts already taking effect from 1 July 2026. No action needed.

\$1,000 Instant Work Deductions — From 2027

From the 2027 financial year, employees can claim up to **\$1,000 in work-related expense deductions without keeping receipts**. Around 6.2 million workers are expected to benefit, saving an average of \$205.

IMPORTANT: Keep all receipts for the whole year!

If your total work expenses exceed \$1,000, you want to claim the higher amount.
Your claim will be limited to \$1,000 without receipts to prove the higher total.

Negative Gearing Changes for New Property — From 1 July 2027

If you already own an investment property, **nothing changes for you**. However, if you buy an established residential investment property after Budget night (12 May 2026), from 1 July 2027 you will no longer be able to deduct rental losses against salary and wages income.

Investing in newly built properties will continue to allow access to negative gearing. **Thinking of buying an investment property? Call us first.**

Capital Gains Tax Discount Replaced — From 1 July 2027

The current 50% CGT discount for assets held longer than 12 months will be replaced with indexed cost base (inflation-adjusted) and a **30% minimum tax rate on capital gains**. Gains on assets you already own are only affected after you sell post July 2027.

Timing matters more than ever on property, shares or business assets.

[Talk to us](#) BEFORE you act — the difference could be significant.

SMALL BUSINESS OWNERS

Key Changes for Business

\$20,000 Instant Asset Write-Off — Now Permanent

Great news: from **1 July 2026**, the \$20,000 Instant Asset Write-Off (IAWO) is now a **permanent** feature of the tax law for businesses with turnover under \$10 million. No more worrying about it expiring each year.

Buy equipment, a computer, or any business asset under \$20,000 incl. GST and write it off immediately.

Loss Carry-Back Returns — From 2027

If your company makes a tax loss, you can now offset it against tax paid in the **previous two years** — potentially getting a tax refund. Applies to companies with turnover under \$1 billion.

Very useful if your business hits a rough patch — you could recoup tax already paid.

ATO Gets \$86.3M for Tax Compliance

The ATO is receiving \$86.3 million to strengthen compliance: more audits, expanded data-matching, and greater scrutiny across individuals, businesses and investment structures.

Make sure your records are in order.

The ATO is expected to increase review and audit activity in coming years.
Accurate, documented, compliant reporting is essential now more than ever.

FBT Exemptions for EVs — Being Phased Out

From **1 April 2029**, a permanent 25% discount on FBT (instead of full exemption) will apply to eligible electric cars valued up to the fuel-efficient luxury car tax threshold. The statutory rate moves from 0% to a reduced 15% (vs standard 20%).

TRUSTS & STRUCTURES

Major Changes to Trust Taxation

30% Minimum Tax on Discretionary Trusts — Proposed from 1 July 2028

From 1 July 2028, a proposed **minimum 30% tax rate on discretionary trust distributions** would apply. Currently, many family groups distribute income to lower-income beneficiaries at lower marginal rates.

THREE-YEAR ROLLOVER RELIEF from 1 July 2027

Eligible trust structures may restructure into a company or fixed trust without triggering immediate income tax or CGT consequences. This affects approximately 840,000 small businesses in Australia.

"Bucket Companies" Will No Longer Be Tax Effective — From 1 July 2027

For decades, "bucket companies" received trust distributions at the corporate tax rate (25–30%) instead of personal rates up to 47%. The Government's proposed measures will significantly reduce this tax deferral advantage from 1 July 2027.

The intent is clear: profits distributed through trusts should ultimately be taxed at individual marginal rates. Full legislative detail is still developing.

We strongly recommend reviewing your business and investment structures before the deadline.

[Book a meeting with us](#) to plan your restructure strategy.

SUPERANNUATION

Super Changes You Need to Know

Payday Super — From 1 July 2026

Employers must now pay superannuation contributions **at the same time as wages**, rather than quarterly. Contributions must reach the employee's super fund within **7 business days of payday** (up to 20 business days for new employees' first contribution).

New Super Contribution Caps — From 1 July 2026

Type	2025–26	From 1 July 2026
Concessional (tax-deductible)	\$30,000	\$32,500
Non-Concessional	\$120,000	\$130,000

You will be able to contribute **\$2,500 more into super as a tax deduction** from 1 July 2026.

NEXT STEPS

This is a significant budget with important consequences for many of our clients.

We strongly recommend arranging a meeting to discuss how these changes could affect your personal circumstances, business structure and tax planning.

Contact us TODAY: [\(03\) 8525 7100](tel:0385257100) | cmtaccounting.com.au

Our Range of Services

- Individual Taxation Returns
- Business Activity Statements
- Companies & Partnerships
- Unit Trust & Family Trust
- Rental Property Tax Returns
- DIY Superannuation Fund
- Cloud Accounting (Xero/MYOB)
- Corporate Secretarial Services
- Negative Gearing & Property
- Capital Gains Withholding

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