

## Budget Update 2017-2018

For:	Specifically:	Considerations:
First home buyers	First Home Super Saver Scheme contributions of \$15k p.a. from 1 July 2017, \$30k in total, within existing contribution caps.	If you are a first home buyer, you will be able to save a deposit through voluntary contributions of up to \$15k p.a, \$30k total into superannuation? Couples will be able to combine savings for a single deposit.
Downsizers and retirement saving optimisers	From 1 July 2018, people aged 65 and older will be able to make a non- concessional contribution of up to \$300k to super after selling you home, in addition to other eligible contributions.	If you want to both downsize you home, and look to boost you retirement savings by up to \$300k (\$600k per couple) even though you may no longer satisfy the work test or be over 75. You can make these special contributions regardless of how much you already have in your superannuation accounts. This budget measure would be worth discussing with you.
Medicare levy	From 1 July 2019 the Medicare levy will increase by half a percentage point from 2 to 2.5 per cent of taxable income to fund National Disability Insurance Scheme	Ensure your budgeting and spending plans account for the extra Medicare levy.  The budget is looking to strengthen ongoing funding.
Working parents with dependents	From 2 July 2018, a single, simplified, means- tested Child Care Subsidy will provide more support for families who need it the most.	If you have young children, this will help you back-to-work and family planning considerations if you could otherwise not afford child care options.
	Introduction of hourly rate caps and removal of some regulation for more flexible hours of care.	Parents could consider returning to the workforce earlier than they otherwise planned to.
	For those with children in preschool in 2018, the States will receive support that should reduce the cost burden, or	You may be impacted by Gonski's Review to Achieve Educational Excellence in Australian Schools which will conclude by December 2017. University age children will be impacted from 2018.
Those with sick family members - children, or those on concession cards	GP incentives from 1 July 2017 to bulk bill children under the age of 16 and concession card holders	Every little bit counts when you're raising a family, and for those on concession cards. The Government will maintain the bulk billing incentives for pathology and diagnostic imaging services, including for blood tests, x-rays and scans. Plus put new and amended listings on the Pharmaceutical Benefits Scheme.

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Property Investors	New tax incentives with an additional 10% capital gains tax discount to increase private investment in affordable housing.	You may be attracted to investing in 'affordable housing' opportunities, which may provide potential capital gains tax incentives.
Small business boosters	For businesses with turnover up to \$10m, 27.5% tax in 1/7/16 reducing to 25% by 2026-27	Will the lower tax levels incentivise small business to invest in you business and employ more people? Contact us on 03 9848 5933 if you wish to get a personalised review.
	Extending the \$20,000 instant asset write-off to 30 June 2018 for businesses with annual turnover less than \$10 million	How will changes to franking credits or dividend imputations affect you?  Do you have any capital expenditures coming up?  The improved cashflow could help reinvest in your business or upgrade assets.
	\$300m over 2 years to cut red tape for small businesses through National State Partnership on Regulatory Reform	What unnecessary regulatory restrictions on competition and small businesses would you like removed? Contact us on 03 9848 5933 if this impacts you.
Small business CGT	Clamping down on GST avoidance and abuse of small business CGT concessions	The Government is focusing on ensuring small business CGT concessions are not abused.
Students	University fees from 2018 will require higher student contributions of up to 7.5% over the next 4 years (deferrable through HELP), and new repayment thresholds from 1-07-2018	If you will soon have university age children, they should be made aware that your student's total fees payable, (which can still be paid through the deferred HELP scheme) will increase, more so for degrees that lead to higher future income (eg medical vs teaching) and that they'll have to budget to repay these at a lower future income threshold.
		Universities will also be subject to measures to ensure greater transparency and accountability including making students employable.

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