
TREASURY LAWS AMENDMENT (MEASURES FOR CONSULTATION) BILL
2022: SKILLS AND TRAINING BOOST

EXPOSURE DRAFT EXPLANATORY MATERIALS

DRAFT

Table of Contents

| | |
|--|-----|
| Glossary..... | iii |
| Chapter 1: Skills and Training Boost | 5 |



Glossary

This Explanatory Memorandum uses the following abbreviations and acronyms.

| Abbreviation | Definition |
|---------------------|---|
| Bill | <i>Treasury Laws Amendment (Measures for Consultation) Bill 2022: Skills and Training Boost</i> |
| GST | Goods and Services Tax |
| ITAA 1997 | <i>Income Tax Assessment Act 1997</i> |
| IT(TP) Act | <i>Income Tax (Transitional Provisions) Act 1997</i> |

Chapter 1: Skills and Training Boost

Outline of chapter

- 1.1 Schedule # to the Bill amends the IT(TP) Act to provide small businesses (with aggregated annual turnover of less than \$50 million) access to a bonus deduction equal to 20 per cent of eligible expenditure incurred on external training provided to their employees.
- 1.2 This is a temporary measure to incentivise small businesses to upskill their employees or train new employees.

Context of amendments

- 1.3 The measure supports small businesses to build a better trained and more productive workforce.
- 1.4 Small businesses will have access to a bonus deduction equal to 20 per cent of eligible expenditure on external training for employees, helping to address skills shortages by upskilling existing staff or training new staff.
- 1.5 The new tax incentive, which is available until 30 June 2024, will also create opportunities for employees to enhance their skills and contribute to the growth of the small business.

Summary of new law

- 1.6 Schedule # to the Bill allows small businesses with an aggregated annual turnover of less than \$50 million to deduct 20 per cent in addition to an existing available deduction for eligible expenditure incurred on external training for employees.
- 1.7 The bonus deduction is a temporary measure, available for eligible expenditure incurred between 7:30pm (by legal time in the Australian Capital Territory) on 29 March 2022 and 30 June 2024.

Detailed explanation of new law

Bonus deduction for external training for small business employees

- 1.8 The bonus deduction is available to small businesses that incur eligible expenditure on external training for their employees. It is calculated as 20 per cent of the amount of expenditure that is both deductible under another taxation law provision and eligible for the bonus deduction under the other rules introduced by these amendments.
- 1.9 Special rules provide for the income year in which the bonus deduction can be claimed. This depends on the period in which the expenditure is incurred and whether the small business has a substituted accounting period.

Entities eligible for the bonus deduction

- 1.10 The bonus deduction is available to entities that meet the definition of a small business entity under section 328-110 of the ITAA 1997. Section 328-110 defines a small business entity as an entity that carries on business with an aggregated annual turnover of less than \$10 million. ***[Schedule #, item 1, paragraphs 328-445(1)(a), (2)(a) and (3)(b) of the IT(TP) Act].***
- 1.11 The bonus deduction is also available to entities that would meet the definition of a small business entity under section 328-110 of the ITAA 1997 if the reference to \$10 million was replaced by a reference to \$50 million. ***[Schedule #, item 1, subsection 328-445(4) of the IT(TP) Act].***
- 1.12 Small businesses are eligible for the bonus deduction if they meet these requirements in the income year in which the expenditure is incurred.

Eligible expenditure for the bonus deduction

- 1.13 The bonus deduction is available to eligible small businesses that incur expenditure which meets the following criteria:
 - expenditure must be for training employees, either in-person in Australia, or online;
 - expenditure must be charged, directly or indirectly, by a registered training provider and be for training within the scope (if any) of the provider's registration;
 - the registered training provider must not be the small business or an associate of the small business;
 - expenditure must already be deductible under the taxation law;

- expenditure must be incurred within a specified period (between 7.30pm (by legal time in the Australian Capital Territory) on 29 March 2022 and 30 June 2024); and
- expenditure must be for the provision of training, where the enrolment or arrangement for the provision of the training occurs at or after 7.30pm (by legal time in the Australian Capital Territory) on 29 March 2022.

Expenditure must be incurred for training employees

Employee training

- 1.14 The bonus deduction is only available in relation to expenditure incurred on external training for the employees of the small business. **[Schedule #, item 1, paragraph 328-450(1)(a) of the IT(TP) Act].**
- 1.15 Expenditure for training persons other than employees is not eligible for the bonus deduction. For example, the bonus deduction is not available for the training of non-employee business owners such as sole traders, partners in a partnership and independent contractors (who are not ‘employees’ of the business within the ordinary meaning). ‘Employee’ takes its ordinary meaning, and it is noted that there is extensive case law on the meaning of an ‘employee’.
- 1.16 The bonus deduction is targeted at employee training specifically because a key aim of the bonus deduction is to support small businesses to grow which could include taking on less-skilled employees that may need external training to develop their skills and enhance their productivity.

Training covered by the bonus deduction

- 1.17 The bonus deduction is available for a broad range of external training across all industry sectors. As the bonus deduction is only available where expenditure is already deductible under the taxation law, the training must be necessarily incurred in carrying on a business for the purpose of gaining or producing income.
- 1.18 The bonus deduction is only available for expenditure incurred on external training for employees that is provided by certain registered training providers. The training provider must meet relevant registration requirements at the time the expenditure is incurred (explained in detail below). The training must also be within the scope of the provider’s registration, where the provider’s registration has scope requirements (explained in detail below). **[Schedule #, item 1, subparagraph 328-450(1)(b) of the IT(TP) Act].**
- 1.19 This requirement ensures that the cost of in-house or on-the-job training is not eligible expenditure for the purpose of the bonus deduction. The bonus deduction is not intended to cover general business operating costs.
- 1.20 The training also cannot be provided by the small business claiming the bonus deduction or any ‘associates’ (within the meaning of the ITAA 1997 which refers to the definition of ‘associates’ in the *Income Tax Assessment Act 1936*)

of the business. The definition of associates outlines a number of circumstances in which an entity or person is considered an associate of another entity or person. These include a relative, spouse or partner of an entity or person, a trustee of a trust that benefits an entity or person and a company that is sufficiently influenced by an entity or person. **[Schedule #, item 1, paragraph 328-450(1)(c) of the IT(TP) Act].**

- 1.21 This requirement also reduces potential integrity risks associated with related party dealings.
- 1.22 Training can be provided either in person to employees physically located in Australia, or online. There is no requirement for employees to be physically located in Australia when undertaking online training. The intent is to allow for circumstances in which employees may be temporarily located overseas for operational reasons or working remotely. **[Schedule #, item 1, paragraph 328-450(1)(a) of the IT(TP) Act].**
- 1.23 It is also a requirement that enrolment in a training course or arrangement with the registered training provider must occur at or after 7:30pm (by legal time in the Australian Capital Territory) on 29 March 2022. This ensures that the bonus deduction is available for enrolments or arrangements made following the announcement of the bonus deduction in the 2022-23 Budget on 29 March 2022. **[Schedule #, item 1, paragraph 328-450(1)(d) of the IT(TP) Act].**

Expenditure must be charged by the registered training provider

- 1.24 In order for training expenditure to be eligible for the bonus deduction, it must be charged by the registered training provider. This means that only the amount charged by the training provider to the small business may be eligible for the bonus deduction. **[Schedule #, item 1, paragraph 328-450(1)(e) of the IT(TP) Act].**
- 1.25 Training expenditure can include costs incidental to training, provided it is charged by the registered training provider. For example, the cost of books or equipment necessary for the training course will be eligible expenditure only if the training provider charges the small business for these costs.

Expenditure may be charged directly or indirectly

- 1.26 The amendments clarify that provided the expenditure is charged by the registered training provider, the expenditure may be charged directly or indirectly to the small business in order to be eligible expenditure. **[Schedule #, item 1, paragraph 328-450(1)(e) of the IT(TP) Act].**
- 1.27 For example, the registered training provider may charge relevant expenditure indirectly, such as through an invoice from an intermediary on behalf of the registered training provider to the small business.
- 1.28 Costs added onto an invoice by an intermediary on top of the cost of training, such as commissions or fees, are not eligible for the bonus deduction. This is because these additional costs are not considered to be charged directly or

indirectly by the registered training provider, but rather they are being charged directly by the intermediary.

Registration requirements for training providers

1.29 The bonus deduction is available for eligible training expenditure delivered by a broad range of registered training providers. The training provider must meet certain registration criteria for their training services to be eligible for the bonus deduction. The registered training provider must also be acting within the scope of their registration where applicable. These criteria must be satisfied at the time the taxpayer incurs the training expenditure. This provides certainty to small businesses at the time expenditure is incurred. **[Schedule #, item 1, paragraph 328-450(1)(b) of the IT(TP) Act].**

1.30 In order for training to be eligible for the bonus deduction, the training provider must be registered at the time the expenditure is incurred with at least one of the following four government authorities:

- Australian Skills Quality Authority (ASQA) (within the meaning of the *National Vocational Education and Training Regulator Act 2011*);
- Tertiary Education Quality and Standards Agency (TEQSA) (within the meaning of the *Tertiary Education Quality and Standards Agency Act 2011*);
- Victorian Registration and Qualifications Authority (within the meaning of the *Education and Training Reform Act 2006* (Vic)); or
- Training Accreditation Council of Western Australia (within the meaning of the *Vocational Education and Training Act 1996* (WA)).

[Schedule #, item 1, subsection 328-450(2) of IT(TP) Act].

1.31 This registration requirement ensures that training eligible for the bonus deduction is delivered by providers that are registered and regulated by government authorities. This supports the quality and integrity of the provider.

Training must be within the scope of the provider's registration

1.32 In order for training to be eligible for the bonus deduction, it must be within the scope of the registered training provider's registration (if any) for that kind of registered body. This ensures that the bonus deduction is not available for training delivered by a registered provider that is not permitted to provide such training. **[Schedule #, item 1, subparagraph 328-450(1)(b)(ii) of the IT(TP) Act].**

1.33 The training must be within the scope of the registered training provider's registration at the time the expenditure is incurred. This aligns with the requirement for when the provider needs to be registered. This will provide certainty to small businesses at the time expenditure is incurred. **[Schedule #, item 1, subparagraph 328-450(1)(b)(ii) of the IT(TP) Act].**

1.34 Scope of registration is only relevant for training providers registered under:

- the *National Vocational Education and Training Regulator Act 2011*;
 - the *Education and Training Reform Act 2006* (Vic); or
 - the *Vocational Education and Training Act 1996* (WA).
- 1.35 The scope of registration refers to training that an organisation is registered to provide. These registered training providers must operate within the scope of their registration, which is also a condition of their registration.
- 1.36 Small businesses can check whether training is within the scope of a registered provider's registration via the www.training.gov.au website.
- 1.37 A different regulatory framework applies to registered higher education providers within the meaning of the *Tertiary Education Quality and Standards Agency Act 2011*. Higher education training providers under this Act are not subject to a registration requirement that they deliver training within the scope of their registration. Thus, the scope of registration requirement is not relevant for higher education training for the purpose of the bonus deduction.
- 1.38 The Tertiary Education Quality and Standards Agency maintains a national register of higher education providers on its website.

Expenditure used to calculate the bonus must be otherwise deductible under taxation law

- 1.39 To qualify for the bonus deduction, expenditure must be deductible under another taxation provision. [*Schedule #, item 1, paragraphs 328-445(1)(c), (2)(c) and (3)(d) of the IT(TP) Act*].
- 1.40 It is most likely that eligible expenditure for the bonus deduction will be deductible under section 8-1 of the ITAA 1997. Generally, businesses can deduct the cost of employee training as a general business operating expense under section 8-1 of the ITAA 1997.
- 1.41 Where training is capital in nature, expenditure for this training may be a capital deduction under another taxation provision. The requirement for the bonus deduction is that the expenditure is deductible under a taxation provision, which means that the bonus deduction is not limited to deductions made under section 8-1 of the ITAA 1997.
- 1.42 The requirement that expenditure is deductible under a taxation provision means that there are certain exclusions to eligible expenditure. For example, if a business is registered for GST, the bonus deduction is generally calculated on the GST-exclusive amount of expenditure, as generally the GST component of expenditure is not deductible in accordance with section 27-5 of the ITAA 1997.
- 1.43 The amendments also clarify that the expenditure that is to be used to calculate the amount of the bonus deduction can be deductible in any income year, provided that the amount is deductible. [*Schedule #, item 1, paragraphs 328-445(1)(c), (2)(c) and (3)(d) of the IT(TP) Act*].

- 1.44 This means that even where deductions are to be claimed over time (such as for certain capital deductions), the bonus deduction is to be calculated on the basis of the full amount that can be deducted, and is to be claimed upfront in the relevant income year. Information on which income year the bonus deduction can be claimed in is explained in detail below.

Example 1.1 Calculating the value of the bonus deduction

Cockablue Pets Pty Ltd is a small business entity that operates a veterinary centre. The business recently took on a new employee to assist with jobs across the centre. The employee has some prior experience in animal studies and is keen to upskill to become a veterinary nurse. The business pays \$3,500 (GST exclusive) for the employee to undertake external training in veterinary nursing. The training is delivered by a registered training provider, whose scope of registration includes veterinary nursing.

The bonus deduction is calculated as 20 per cent of 100 per cent of the amount of expenditure that can be deducted under another provision of the taxation law. In this case, the full \$3,500 is deductible under section 8-1 of the ITAA 1997 as a business operating expense. Assuming the other eligibility criteria for the bonus deduction are satisfied, the bonus deduction is calculated as 20 per cent of \$3,500. That is, \$700.

When the bonus deduction can be claimed in tax returns

- 1.45 The rules for when the bonus deduction can be claimed in tax returns differ partly depending on whether an entity is an early, late or normal balancer. Entities on a substituted accounting period with an income year starting after 1 July are referred to as late balancers. Entities on a substituted accounting period with an income year starting before 1 July are referred to as early balancers. Entities with an income year starting on 1 July are referred to as normal balancers.

General rule: Bonus deduction to be claimed in the income year in which expenditure is incurred

- 1.46 Generally, consistent with deductions under the general deduction provision (section 8-1 of the ITAA 1997), small businesses claim the bonus deduction in the income year in which the expenditure is incurred.
- 1.47 This is mainly achieved by the provision providing for later bonus deductions, which applies for normal and late balancers starting from the 2023-24 income year and applies for early balancers starting from the 2024-25 income year. The provision providing for later bonus deductions ensures the bonus deduction is claimed in the income year in which the expenditure is incurred

(described as the current year). *[Schedule #, item 1, subparagraphs 328-445(3)(a)(i) and (ii) and subsection 328-445(3) of the IT(TP) Act].*

- 1.48 For earlier income years (those not covered by the later bonus deduction provision), special rules set out when the bonus deduction may be claimed. For some expenditure, these rules still result in a claim in the same income year in which the expenditure is incurred, which is consistent with the general rule. *[Schedule #, item 1, subsections 328-445(1) and (2) of the IT(TP) Act].*

Special rules for initial bonus deductions (allowing for delayed claims)

- 1.49 For income years not covered by the later bonus deduction provision (see above), special rules apply for small businesses to claim the bonus deduction.
- 1.50 The special rules operate in the initial years where bonus deductions may be available, to allow additional time for administrative and legislative arrangements to be put in place before bonus deductions may be claimed.
- 1.51 The special rules apply only to claiming the bonus deduction. The rules do not affect the existing general deduction under the taxation law.
- 1.52 The special rules are different for early balancers vis a vis normal and late balancers.
- 1.53 The special rules set out when claims for the bonus deduction can be made in the 2022-23 income year for normal or late balancers. *[Schedule #, item 1, subsection 328-445(1) of the IT(TP) Act].*
- 1.54 The special rules also set out when claims for the bonus deduction can be made in the 2023-24 income year for early balancers. *[Schedule #, item 1, subsection 328-445(2) of the IT(TP) Act].*

Special rule for normal or late balancers for the 2022-23 income year

- 1.55 Normal or late balancers that incur expenditure between 7:30pm (by legal time in the Australian Capital Territory) and the end of their 2022-23 income year, will claim the bonus deduction in respect to this expenditure in the 2022-23 income year. This partly covers expenditure incurred in the 2021-22 income year, as well as expenditure incurred in the 2022-23 income year. For expenditure incurred in the 2021-22 income year, the special rule results in a delayed claim, where a bonus deduction is claimed in the year following the year in which expenditure was incurred. *[Schedule #, item 1, subsection 328-445(1) of the IT(TP) Act].*

Example 1.2 When a normal balancer claims the bonus deduction

B Co Pty Ltd (B Co) is a small business entity. B Co operates on an income year that begins on 1 July and ends on 30 June the following year. B Co is referred to as a ‘normal balancer’.

Expenditure incurred in the 2021-22 income year

On 4 May 2022, B Co pays \$1,000 for an employee to undertake training. The full \$1,000 is deductible under section 8-1 of the ITAA 1997 as a business operating expense. Assuming other eligibility criteria for the bonus deduction are satisfied, the bonus deduction will be calculated as 20 per cent of \$1,000. That is, \$200.

The cost of training (\$1,000) should be claimed as a general deduction under section 8-1 of the ITAA 1997 in B Co's 2021-22 income year because this is the income year in which the expenditure is incurred.

As the training costs were incurred between 7:30pm (by legal time in the Australian Capital Territory) on 29 March 2022 and the end of B Co's 2022-23 income year (30 June 2023), under the relevant special rules for initial bonus deductions, the bonus deduction (\$200) should be claimed in B Co's 2022-23 income year. This results in a delayed claim, where a bonus deduction is claimed in the year following the year in which the expenditure was incurred.

Expenditure incurred in the 2022-23 income year

One year later, on 4 May 2023, B Co pays \$3,000 for three new employees to undertake the same training. The full \$3,000 is deductible under section 8-1 of the ITAA 1997 as a business operating expense. Assuming other eligibility criteria for the bonus deduction are satisfied, the bonus deduction will be calculated as 20 per cent of \$3,000. That is, \$600.

The cost of training (\$3,000) should be claimed as a general deduction under section 8-1 of the ITAA 1997 in B Co's 2022-23 income year because this is the income year in which the expenditure is incurred.

As the training costs were incurred between 7:30pm (by legal time in the Australian Capital Territory) on 29 March 2022 and the end of B Co's 2022-23 income year (30 June 2023), under the relevant special rules for initial bonus deductions, the bonus deduction (\$600) should also be claimed in B Co's 2022-23 income year. This results in an outcome consistent with the general rule that deductions are claimed in year in which the expenditure is incurred.

Expenditure incurred in the 2023-24 income year

Another year later, on 4 May 2024, B Co pays \$6,000 for six new employees to undertake the same training. The full \$6,000 is deductible under section 8-1 of the ITAA 1997 as a business operating expense. Assuming other eligibility criteria for the bonus deduction are satisfied, the bonus deduction will be calculated as 20 per cent of \$6,000. That is, \$1,200.

The cost of training (\$6,000) should be claimed as a general deduction under section 8-1 of the ITAA 1997 in B Co's 2023-24 income year because this is the income year in which the expenditure is incurred.

Expenditure in the 2023-24 income year is covered by the later bonus deduction provision. As the costs were incurred in B Co's 2023-24 income year and before 30 June 2024, the bonus deduction should be claimed in B Co's 2023-24 income year in accordance with the later bonus deduction provision. This results in an outcome consistent with the general rule that deductions are claimed in year in which the expenditure is incurred.

Overview of total amounts claimable in each income year

This means that B Co will claim the following amounts:

- \$1,000 in the 2021-22 income year. This is the general deduction for the cost of training incurred on 4 May 2022.
- \$3,800 in the 2022-23 income year. This is made up of the general deduction for the cost of training incurred on 4 May 2023, as well as the bonus deductions for expenditure incurred on 4 May 2022 and 4 May 2023.
- \$7,200 in the 2023-24 income year. This is made up of the general deduction and the bonus deduction for the cost of training incurred on 4 May 2024.

Special rule for early balancers for the 2022-23 income year

1.56 Early balancers for the 2022-23 income year that incur expenditure between 7:30pm (by legal time in the Australian Capital Territory) on 29 March 2022 and the end of their 2022-23 income year, will claim the bonus deduction in respect to this expenditure in their 2023-24 income year. This results in a delayed claim, where a bonus deduction is claimed in the year following the year in which the expenditure was incurred. Early balancers are also able to claim the bonus deduction in their 2023-24 income year for expenditure incurred in that income year, consistent with the general rule. [*Schedule #, item 1, subsection 328-445(2) of the IT(TP) Act*].

Example 1.3 When an early balancer claims the bonus deduction

Expenditure incurred in the 2022-23 income year

M Co Pty Ltd (M Co) operates on an income year that begins on 1 January and ends on 31 December of the same year. M Co's 2022-23 income year starts on 1 January 2022.

M Co pays \$14,000 for two employees to undertake training on 7 May 2022. The full \$14,000 is deductible under section 8-1 of the ITAA 1997 as a business operating expense. Assuming the other eligibility criteria for the bonus deduction are satisfied, the bonus

deduction will be calculated as 20 per cent of \$14,000. That is, \$2,800.

The cost of training (\$14,000) should be claimed as a general deduction under section 8-1 of the ITAA 1997 in M Co's 2022-23 income year because this is the income year in which the expenditure was incurred.

As the costs are incurred between 7:30pm (by legal time in the Australian Capital Territory) on 29 March 2022 and the end of M Co's 2023-24 income year (31 December 2023), the bonus deduction (\$2,800) should be claimed in M Co's 2023-24 income year in accordance with the special rule for early balancers. This results in a delayed claim, where a bonus deduction is claimed in the year following the year in which the expenditure is incurred.

Expenditure incurred in the 2023-24 income year

On 10 April 2023, M Co pays \$21,000 for three new employees to also undertake the same training. The full \$21,000 is deductible under section 8-1 of the ITAA 1997 as a business operating expense. Assuming the other eligibility criteria for the bonus deduction are satisfied, the bonus deduction will be calculated as 20 per cent of \$21,000. That is, \$4,200.

The cost of training (\$21,000) should be claimed as a general deduction under section 8-1 of the ITAA 1997 in M Co's 2023-24 income year because this is the income year in which the expenditure is incurred.

As the costs were incurred between 7:30pm (by legal time in the Australian Capital Territory) on 29 March 2022 and the end of M Co's 2023-24 income year (31 December 2023), the bonus deduction (\$4,200) should also be claimed in M Co's 2023-24 income year in accordance with the special rule for early balancers. This results in an outcome consistent with the general rule that deductions are claimed in the year in which the expenditure is incurred.

Expenditure incurred in the 2024-25 income year

On 8 April 2024 M Co pays \$6,000 for two new employees to undertake training. The full \$6,000 is deductible under section 8-1 of the ITAA 1997 as a business operating expense. Assuming the other eligibility criteria for the bonus deduction are satisfied, the bonus deduction will be calculated as 20 per cent of \$6,000. That is, \$1,200.

The cost of training (\$6,000) should be claimed as a general deduction under section 8-1 of the ITAA 1997 in M Co's 2024-25 income year because this is the income year in which the expenditure is incurred.

Expenditure in the 2024-25 income year is covered by the later bonus deduction provision. As the costs are incurred in M Co's 2024-25 income year and before 30 June 2024, the bonus deduction (\$1,200) should be claimed in M Co's 2024-25 income year in accordance with the later bonus deduction provision. This results in an outcome consistent with the general rule that deductions are claimed in the year in which the expenditure is incurred.

Overview of total amounts claimable in each income year

This means that M Co will claim the following amounts:

- \$14,000 in the 2022-23 income year. This is the general deduction for the cost of training incurred on 7 May 2022.
- \$28,000 in the 2023-24 income year. This is made up of the general deduction for the cost of training incurred on 10 April 2023, as well as the bonus deductions for expenditure incurred on 7 May 2022 and 10 April 2023.
- \$7,200 in the 2024-25 income year. This is made up of the general deduction and the bonus deduction for the cost of training incurred on 8 April 2024.

Consequential amendments

- 1.57 These amendments include a note which aims to guide readers of the legislation and explain the practical application of the bonus deduction.
- 1.58 The note explains that expenditure for on-the-job and in-house training is not eligible for the bonus deduction. ***[Schedule #, item 1, note to subsection 328-450(1) of the IT(TP) Act].***

Commencement, application, and transitional provisions

- 1.59 The amendments commence on the first 1 January, 1 April, 1 July, or 1 October to occur after the day the Act receives Royal Assent. ***[Section # of the Bill, item 2 of commencement table].***
- 1.60 The amendments apply to eligible expenditure incurred between 7:30pm (by legal time in the Australian Capital Territory) on 29 March 2022 and 30 June 2024. ***[Schedule #, item 1, paragraphs 328-445(1)(b), (2)(b) and (3)(c) of the IT(TP) Act].***
- 1.61 The amendments also only apply to enrolments or arrangements for the provision of training made or entered into at or after 7.30pm (by legal time in the Australian Capital Territory) on 29 March 2022. ***[Schedule #, item 1, paragraph 328-450(1)(d) of the IT(TP) Act].***

- 1.62 The amendments apply retrospectively from 7.30pm (by legal time in the Australian Capital Territory) on 29 March 2022. This ensures that entities qualify for the bonus deduction retrospectively from the announcement in the 2022-23 Budget on 29 March 2022. The changes are wholly beneficial to entities incurring expenditure affected by these amendments.