

MINIMISE YOUR BUSINESS TAX

2026 TAX PLANNING GUIDE

Imagine what you could do

with the tax you save:

- Pay down your home loan
- Top up your super
- Save for a holiday
- Put towards an investment property deposit
- Pay for your children's education
- Upgrade your car

Here's a guide to the strategies you can use to minimise your business tax.

IS YOUR BUSINESS A "SMALL BUSINESS" ENTITY?

Small businesses can access a range of ATO tax concessions. To qualify as a "Small Business Entity", the business must have an aggregated turnover (your annual turnover plus the annual turnover of any business connected/affiliated with you) of less than \$10 million and be operating a business for all or part of the 2026 year.

LOWER COMPANY TAX RATES

The 2026 company tax rate for businesses with less than \$50 million turnover is 25% if 80% or less of a company's assessable income is "passive income" (such as interest, dividends, rent, royalties, and net capital gains).

If you use a Trust structure, one strategy is to allocate profits to a "Bucket Company" and cap your tax at 25% for 2026. Note that this company must qualify



as a "base rate" entity to be eligible for the lower 25% company tax rate. Please discuss with us whether your company will qualify.

TAX STING - SALE OF ASSETS PREVIOUSLY 100% WRITTEN OFF

Until 30 June 2023, many businesses claimed 100% of the cost of asset purchases under temporary full expensing or instant asset write-off rules.

When these assets are eventually sold, the amount received for them will be included in your income for the year, and any replacement asset you buy will generally be depreciated if it is \$20,000 or more.

You may need to carefully plan for extra tax payable!

\$20,000 INSTANT ASSET WRITE-OFF

Small businesses with aggregated turnover under \$10 million can immediately deduct the full cost of eligible assets costing less than \$20,000 each, provided the asset is first used or installed ready for use between 1 July 2025 and 30 June 2026. This applies on a per-asset basis, so you can write off multiple qualifying items. Both new and second-hand assets qualify, including equipment, vehicles (subject to the car limit), tools, technology, and office furniture. Assets costing \$20,000 or more are placed into the small business depreciation pool and depreciated at 15% in the first year and 30% each year after.

Important: The \$20,000 threshold is scheduled to revert to just \$1,000 from 1 July 2026 unless the Government legislates a further extension. If you're planning equipment or asset purchases, act before 30 June 2026 to take advantage of the current threshold.

Additionally, if your small business pool balance is under \$20,000 at the end of the 2025–26 income year, the entire pool balance can be written off. Check with us whether this applies to your business.

MAXIMISE DEDUCTIBLE SUPER CONTRIBUTIONS

The concessional superannuation cap for 2026 is \$30,000 for all individuals. Exceeding this cap will result in additional tax.

Note: employer super guarantee contributions count towards this cap. Any excess is included in your assessable income and taxed at your marginal rate, plus an excess contributions charge.

For the contribution to be counted towards the employee's 2026 contribution cap, it must be received by the fund by 30 June 2026.

TOOLS OF TRADE / FBT EXEMPT ITEMS

Providing FBT-exempt tools of trade to business owners and employees is an effective way to purchase equipment with a tax benefit.

Items that can be packaged include handheld/portable tools of trade, computer software, notebook computers, personal electronic organisers, digital cameras, briefcases, protective clothing, and mobile phones.

If structured correctly, the employer will be entitled to a tax deduction for the reimbursement payment to the employee (for the equipment cost), claim any GST input credit, and the employee's salary package will only be reduced by the GST-exclusive cost of the items purchased.

Purchase these items before 30 June 2026.

REPAIRS & MAINTENANCE

Ensure payments for repairs and maintenance (business, rental property, employment) are made before 30 June 2026.

PAY EMPLOYEE SUPERANNUATION NOW

To claim a 2026 deduction, employee super payments must be received by the fund or Small Business Superannuation Clearing House (SBSCH) by 30 June 2026.

Avoid last-minute payments – processing delays could push them past year-end. If you need to make a last-minute payment, contact us before you pay so we can explore options.

DEFER INCOME

If possible, defer issuing further invoices and receiving cash/debtor payments until after 30 June 2026. This strategy pushes tax payable to future years.

BRING FORWARD EXPENSES

Purchase consumable items before 30 June 2026 – marketing materials, stationery, printing, office and computer supplies. Spend now, deduct now.

DEFER INVESTMENT INCOME & CAPITAL GAINS

If possible, arrange for the receipt of Investment Income (e.g. interest on Term Deposits) and the Contract Date for the sale of Capital Gains assets, to occur AFTER 30 June 2026.

The Contract Date is generally the key date for working out when a sale occurred, not the Settlement Date!

MOTOR VEHICLE LOGBOOK

Make sure you've kept an accurate motor vehicle logbook for at least 12 weeks, starting on or before 30 June 2026. Record your odometer reading at 30 June 2026 and keep all receipts.

Alternatively, claim up to 5,000 business kilometres using the cents-per-km method (no logbook required).

INVESTMENT PROPERTY DEPRECIATION

If you own a rental property and haven't already done so, arrange for the preparation of a Property Depreciation Report to allow you to claim the maximum amount of depreciation and building write-off deductions on your rental property.

PRIVATE COMPANY ("DIV 7A") LOANS

If you've borrowed from your company in previous years, ensure the required principal and interest repayments are made by 30 June 2026. Current-year loans must be repaid in full or have a compliant loan agreement in place before the company return lodgement deadline – otherwise they may be treated as an unfranked dividend.

YEAR-END STOCKTAKE / WORK IN PROGRESS

If applicable, prepare a detailed stocktake and/or work-in-progress listing as at 30 June 2026. Review your listing and write off any obsolete or worthless stock items.

Talk to us about your different options for valuing Stock, and how they affect your tax payable.

WRITE-OFF BAD DEBTS

Review your debtors listing and write off all bad debts before 30 June 2026. Prepare a record listing each bad debt as evidence of the write-off, and process them in your accounting system before 30 June 2026.

SMALL BUSINESS CONCESSIONS - PREPAYMENTS

"Small Business Concession" taxpayers can make prepayments (up to 12 months) on expenses (e.g. loan interest, rent, subscriptions) BEFORE 30 June 2026 and obtain a full tax deduction in the 2026 financial year.

TRUSTEE RESOLUTIONS

Ensure that the Trustee Resolutions are prepared and signed BEFORE 30 June 2026 for all Discretionary ("Family") Trusts. The ATO have recently released a number of Tax Rulings that may affect trust distributions to adult children, so Tax Planning for 2026 **will be vital for anyone using a Family Trust.**



IMPORTANT INFORMATION

This is general advice only and does not take into account your financial circumstances, needs and objectives. Before making any decision based on this document, you should assess your own circumstances or seek advice from your financial adviser and seek tax advice from your accountants at Omnis Group. Information is current at the date of issue and may change.

Talk to us TODAY before the 30 June 2026 deadline for assistance to reduce your tax!

Omnis Group Pty Ltd

A Level 2, 7 Rheola Street, West Perth, WA 6005
P 9380 3555 **E** clientservices@omnisgroup.com.au