

Federal Budget 2026–27: CPA Australia’s analysis of the tax changes and business impacts

The Australian Federal Budget 2026-27 seeks to redress issues of intergenerational inequity through the most consequential changes to asset taxation in decades. CPA Australia says the measures place a heavier burden on ordinary Australians while undermining investment, productivity and business confidence. These proposed landmark Federal Budget changes have not yet been legislated and are currently working their way through parliament including the permanent extension of the \$20,000 instant asset write-off, personal tax rate drops and reforms affecting capital gains, negative gearing and trusts.

CPA Australia says the changes to capital gains tax and investment savings would disproportionately affect mum-and-dad investors, small business owners and younger Australians trying to build wealth — and represent a missed opportunity to deliver meaningful, long-term tax reform.

“This is not tax reform — it’s a revenue measure that shifts more of the burden onto middle Australia,” says CPA Australia Tax Lead Jenny Wong.

“For anyone looking to invest, grow a business or take on risk, the message is clear — the government will take at least 30 per cent, regardless of the outcome.”

“That effectively creates a minimum tax on aspiration, and it sends the wrong signal at a time when Australia should be encouraging investment, not discouraging it.”

Wong says the changes cut directly against the government’s stated ambition to lift productivity and support economic growth.

EOFY 2026: Year-End Tax Planning Checklist for Individuals & Small Businesses

30 June 2026 is fast approaching. Now is the ideal time to review your tax position and make sure you have everything in order before the financial year ends.

Below is a summary of key year-end actions that may help maximise deductions, minimise tax, and avoid common issues with the ATO.

For Individual Taxpayers

1. Bring Forward Tax Deductions

You may be able to claim deductions this financial year by paying for eligible expenses before 30 June, including:

- Work-related expenses
- Professional memberships and subscriptions
- Income protection insurance
- Tax agent fees
- Charitable donations to deductible gift recipients
- Self-education expenses

Ensure you keep valid tax invoices and records for all claims.

2. Review Working from Home Claims

If you work from home, ensure your records are up to date.

The ATO requires evidence such as:

- A diary or timesheet of hours worked from home
- Receipts for expenses claimed
- Evidence of internet and phone usage

Both the fixed-rate and actual-cost methods require substantiation.

3. Check Capital Gains

If you are considering selling shares, property, or cryptocurrency, review potential capital gains tax (CGT) consequences before 30 June. You may wish to:

- Offset capital gains with capital losses or delay sales until after year end
- Review eligibility for the 50% CGT discount
- Seek advice *before* selling

4. Make Super Contributions

Superannuation contributions can provide valuable tax benefits. Before 30 June, consider:

- Personal deductible super contributions
- Salary sacrifice arrangements
- Spouse contributions
- Carry-forward concessional contributions.

Be mindful of contribution caps and processing times. Contributions must be received by your fund before 30 June.

5. Private Health Insurance & Medicare Levy Surcharge



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Review whether your level of private health insurance is appropriate for your income level to avoid unexpected Medicare Levy Surcharge liabilities.

For Small Business Owners

1. Write Off Bad Debts

Bad debts must generally be written off before 30 June to claim a deduction this year.

Ensure there is clear documentation showing the debt has been reviewed and formally written off.

2. Review Stock and Inventory

Businesses should complete a stocktake and identify:

- Obsolete stock
- Damaged stock
- Slow-moving inventory

This may reduce taxable income where stock values are adjusted appropriately.

3. Prepay Expenses

Eligible small businesses may claim deductions this year for certain prepaid expenses covering up to 12 months, including:

- Rent
- Insurance
- Subscriptions
- Interest
- Business services

4. Review Asset Purchases

If you are considering purchasing equipment, vehicles, or technology for your business, speak with us before 30 June regarding available depreciation rules and temporary incentives. Timing can significantly affect deductions.

5. Ensure Super Is Paid on Time

Employee superannuation must be received by employees' super funds before 30 June to claim a deduction this financial year.

Processing delays are common, so early payment is highly recommended.

6. Reconcile Payroll & STP Reporting

Before year end, businesses should:

- Reconcile wages and PAYG withholding
- Finalise Single Touch Payroll (STP)
- Review contractor arrangements
- Confirm super obligations have been met

Minimum wages increase from 1 July 2026

On 2 June 2026, The Fair Work Commission has announced an increase to the National Minimum Wage and minimum award wages. The increase applies from the first full pay period starting on or after 1 July 2026. More information can be found at <https://www.fairwork.gov.au/about-us/workplace-laws/annual-wage-review/annual-wage-review-2026>

Beware of ATO Data Matching

The ATO receives data from banks, employers, investment platforms, cryptocurrency exchanges, and government agencies. Common review areas include:

- Rental property deductions
- Work-related expenses
- Cryptocurrency transactions
- Gig economy income
- Multiple income sources

Tax Depreciation, Property Valuation & Quantity Surveying

With a decade of experience in the industry, Duo Tax Quantity Surveyors is an Australian owned company who assists investors with their tax depreciation, property valuation, and quantity surveying needs for their residential or commercial investment properties.

Due to high demand, I am excited to introduce our new SMSF Audit Property Valuations, specially designed to support residential and commercial property audits. These valuation services are tailored to meet the increasing demand for accuracy and efficiency.

Feel free to contact our office or contact George direct on 1300 185 498 or 0481 948 009.

duotax

www.duotax.com.au
george@duotax.com.au

Important upcoming dates

- May 2026 monthly IAS due 21/06/26
- Recommended to pay quarter 4, 2026 *Super contributions* before 15 June to ensure payments are processed before 30 June 2026. All payments must be received before 28 July 2026.

Financial planning

Blake Cullen from Evalesco (part of The Principal Edge Licensee Network) can assist with all your financial planning needs. They provide a more personal service and empower Clients not only in terms of wealth strategies but are also mindful we need healthy and happy lives.

Feel free to contact our office to arrange an initial appointment.

Blake Cullen

Personal Financial Adviser
9232 6800 | evalesco.com.au



Tax agent
25977827



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