

Concessions	Small <\$2m	Medium \$2m-\$10m
Lower company tax rate	Not as important if Director = 100% shareholding	Very Important as more likely to reinvest all funds back into the company for further growth/employment.
Unincorporated small business tax discount	I would refer to the statistics to see what % of unincorporated businesses take up this concession – you may find it's close to 100% and one that their Tax Accountants simply apply of their behalf without them knowing.	N/A
Capital gains tax concessions	Important but most I know view their business as their jobs and those that are not in retail often don't understand they can sell their businesses (which of course they can)	<p>Very important – this concession forms part of their long-term exit strategy. The \$6m I believe should be increased to \$8m due to residential house values.</p> <p>I did have a situation where I was negotiating the sale of a client's business and the value was close to making the assets just over the \$6m, so I was told by the Tax Accountant to reduce the sale price – so the thresholds do impact on the decision making of the business as crazy as that sounds.</p> <p>I am concerned at an article I read today that stated proposed changes to this concession. Now I may have read it incorrectly but it looks like the \$6m will no longer be based on the individual tax payer but the net of the shareholders. In my company we are currently < \$2m & I own 70% and gave 10% to each of my 3 key staff members as they had taken a significant pay cut to join the company and I wanted to secure them in order to take the company to the next stage of > \$2m. I know a number of small businesses with long-term strategies who are doing this but may now change their views based on this new ruling, which is a shame as I believe this is an important factor in building a business.</p>
Instant asset write-off & simplified depreciation rules	Important from a cashflow perspective but more from & mindset view.	Very important – would like to see increased to \$50k

Refundable R&D tax	Important for innovative startups	Important for continued innovation however the process of applying for this concession needs to be simplified & clearer so SME's are not deterred by expensive compliance fees from R&D specialists just to see if they are eligible. Also potential new clauses that expand on the definition of innovation that clearly make processes more efficient that are not currently in the market.
Restructure roll-over relief	Wasn't aware of this concession but can see how it would be beneficial in unique situations	
Immediate deduction for professional expenses	Good concession	Same as small
Simplified Trading Stock rules	Good concession	Most in this range would be performing cyclical stocktakes during the year so wouldn't apply to them.
Exception – tax shelter prepayments for certain passive investments	Wasn't aware of this concession	
Small business carve-out for debt & equity rules	Think this is fine where there is only a single shareholder	I'm sure there are huge tax benefits to doing it this way & I know Tax Accountants direct clients to do it this way instead of paying themselves a wage. However I don't think it should be encouraged in this group even if a single shareholder as I have seen working capital drained applying this concession.
PAYG instalments based on GDP-adjusted notional tax	The flexibility to change the instalments is critical to cashflow especially in the first few years where they are building their customer base which won't be as consistent as it will be in future years.	Same applies to this group but will become less relevant when they reach the next level of growth and start to see consistent seasonality & smaller year on year increases.
Two-year amendment	Wasn't aware of this & not sure of the benefits.	
FBT employee car parking exemption	I believe this is a given for all size businesses where it's not in a commercial car park.	Same as small

FBT – multiple portable electronic devices	In this day in age it should apply to all size businesses as if employees have these it means they will generally be regarded as on call for the business.	Same as small
GST Concessions	Necessary for cashflow management	Hoping that future innovative generations will remove the need for small business to be tax collectors, by building a payment platform across all Australian financial institutions that remits the GST collected directly to ATO at point of sale (just as Amex does via EFTPOS with their fees leaving the business with the net amount of the sale price) and GST paid refunded on payments to suppliers made.
Small Business superannuation clearing house	Good concession	Same as small
Small Business excise concession	Not aware of this concession or its benefits	

I believe the current principles are relevant except not sure what is meant by targeted & affordable (targeting specific industries or activities?). The businesses <\$2m may not be as excited in the design around the business life cycle unless they have a long-term vision & strategic plan to move to > \$2m.

Relevant tax concessions to reduce the compliance burden should remain however just as KPI's drive desired behaviours within a business I think the same should apply to tax concessions at each stage of the life cycle.

I would assume the ATO would prefer all businesses to be processing transactions via accounting software to ensure data integrity & reduce compliance burden. With the introduction of affordable cloud based solutions there could be a new concession to drive businesses to implement.

A concession that encourages new employment would be beneficial eg. The current Jobstart grants of \$6k-\$10k per person are the reason why Zekii is about to employ another person. It just takes a little of the stress away of not knowing whether you are able to cover their labour costs as your customer base is growing. Small businesses are generally worried about falling over and not being able to service their customers properly but can't afford like the large companies to have excess labour.

A concession that encourages upskilling of employees in relation to having an online presence & digital marketing strategy will ensure an even playing field with larger businesses but also the ability for small business to compete with offshore businesses – especially those where labour is significantly cheaper than Australia. At Zekii we are heading into our 4th year and have not taken any money from the business but instead reinvested back and just spent \$6k upskilling our Marketing Manager in Social Media Marketing & Lead Generation (much to the stress of our Accountant)!

