CARISMA SOLUTIONS

2025 Tax updates

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What’s new for FY 2025

- Company
- Trust
- Partnership

Company

- Small business – $20,000 instant asset write-off
- Housing tax incentives - build to rent developments
- Film tax offsets

Partnerships

- Small business – $20,000 instant asset write-off
- Housing tax incentives – build to rent developments

Trust

- Small business – $20,000 instant asset write-off
- Housing tax incentives – build to rent developments

Highlighted were common for Company, Partnership and Trust

Common Changes for CTR, PTR & TTR

Small business – $20,000 instant asset write-off – Same as PY

- Eligible assets purchased under $20k (gross value) can be claimed under full depreciation as instant write off
- It should be a small business entity with aggregate turnover less than $10 million
- Asset should be purchased and installed between 1 July 2024 and 30 June 2025.



Housing tax incentives - build to rent developments

The Treasury Laws Amendment Act 2024 & Capital Works Act 2024 provides incentives to increase the supply of housing

Incentives: From 1 January 2025, eligible build-to-rent developments can access:

- An accelerated capital works deduction of 4% per year.(FY2024 - 2.5%)
- A concessional final withholding tax rate of 15% on eligible fund payments.

Eligibility: To qualify, developments must:

- Contain at least 50 dwellings for rent to the public with a lease term offer of at least 5 years.
- Include at least 10% affordable dwellings.
- Be owned by a single entity for a minimum of 15 years.

Compliance: Owners must notify the ATO of their choice to access these incentives. Failure to meet conditions may result in a misuse tax notice of assessment.

Specific Changes in CTR

Film tax offsets

- The Treasury Laws Amendment (Delivering Better Financial Outcomes and Other Measures) Act 2024 made changes to the **location and producer tax offsets.**

- Companies claim all film tax offsets in their *Company tax return 2025* at **Calculation statement** – Label E Refundable Tax Offsets

Qualifying Australian Production Expenditure (QAPE) for the Location Offset generally covers production expenditure in relation to:

- Goods and services provided in Australia
- The use of land in Australia
- The use of goods in Australia at the time they are used in the making of the production.

QAPE for the Location Offset includes spend on production and post-production (including animation and digital and visual effects).

Offset Type	Rate	Min QAPE Threshold	Key Conditions
Producer Offset	40%* / 30%	Feature: ≥ $1M; TV: $500K/hr or $35M/season	Screen Aust certification; ABN + PE; no above-line cap; no runtime minimums
Location Offset	30%	Feature: ≥ $20M; TV: $1.5M/hr	Must use Australian PDV & training; ABN + PE
PDV Offset	30%	≥ $500K PDV QAPE	PDV can be for any project; ABN + PE

*Feature = theatrical. TV and others qualify at 30%.

FY 2025 Key Changes

1. **Producer Offset:**
   - Removed "above-the-line" cap and runtime minimums for new projects from July 2024
     screenaustralia.gov.au +8 gscpa.com.au +5 treasury.gov.au +2
   - Added **$35M/season threshold** for drama series screenaustralia.gov.au +3
2. **Location Offset:**
   - Increased rebate from 16.5% to 30%, effective 1 July 2023
   - Raised minimum spend to $20M and $1.5M/hr; introduced training & local PDV usage requirements arts.gov.au +6
3. **PDV Offset:**
   - Continues at 30% with $500K threshold intact reddit.com

Items Removed from Tax Return FY2024

Small Business Incentive Boost

Description	CTR	PTR & TTR
Small business skills and training boost	Item 7 - Label J	Item 52 Label A
Small business energy incentive.	Item 7 - Label K	Item 52 Label C

Additions and Changes made in Tax Return 2025

Description	Content	CTR	PTR	TTR
Overseas interests and Australian branch operations	'Did you have branch operations in Australia or overseas, or a direct or indirect interest in a foreign trust, foreign company, controlled foreign entity or transferor trust?'	Item 28 Label Z	Item 22 Label S	Item 22 Label S
Housing tax incentives - build to rent developments	Build to rent capital works deduction at 4%	Item 7 Label Y	Item 9 Label Y	Item 9 Label Y

Other Notable Key Changes

Description	2025	2024
LCT Depreciable Limit	$69,674.00	$68,108.00
LCT Depreciable Limit (Net)	$63,340.00	$61,916.36
GST	$ 6,334.00	$ 6,191.64
Div 7a Interest	8.77%	8.27%
Deductible Super Contribution	11.50%	11.00%
FBT Interest rate	8.77%	7.77%
FBT EV Exemption	Applicable	Applicable

Asic Fees

Company Fees	From 1 July 2023	From 1 July 2024	From 1 July 2025
Application for registration as an Australian Company (proprietary company that has share capital)	$576	$597	$611
Reserving a company name	$59	$61	$62
Late payment fee for up to one month late	$93	$96	$98
Late payment fee for more than one month late	$387	$401	$411
Application for voluntary deregistration of a company	$47	$49	$50
Annual review fee for a proprietary company	$310	$321	$329
Annual review fee for a registered scheme or a public company	$1,440	$1,492	$1,528

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