



From Hidden to Headline

FedBud '26

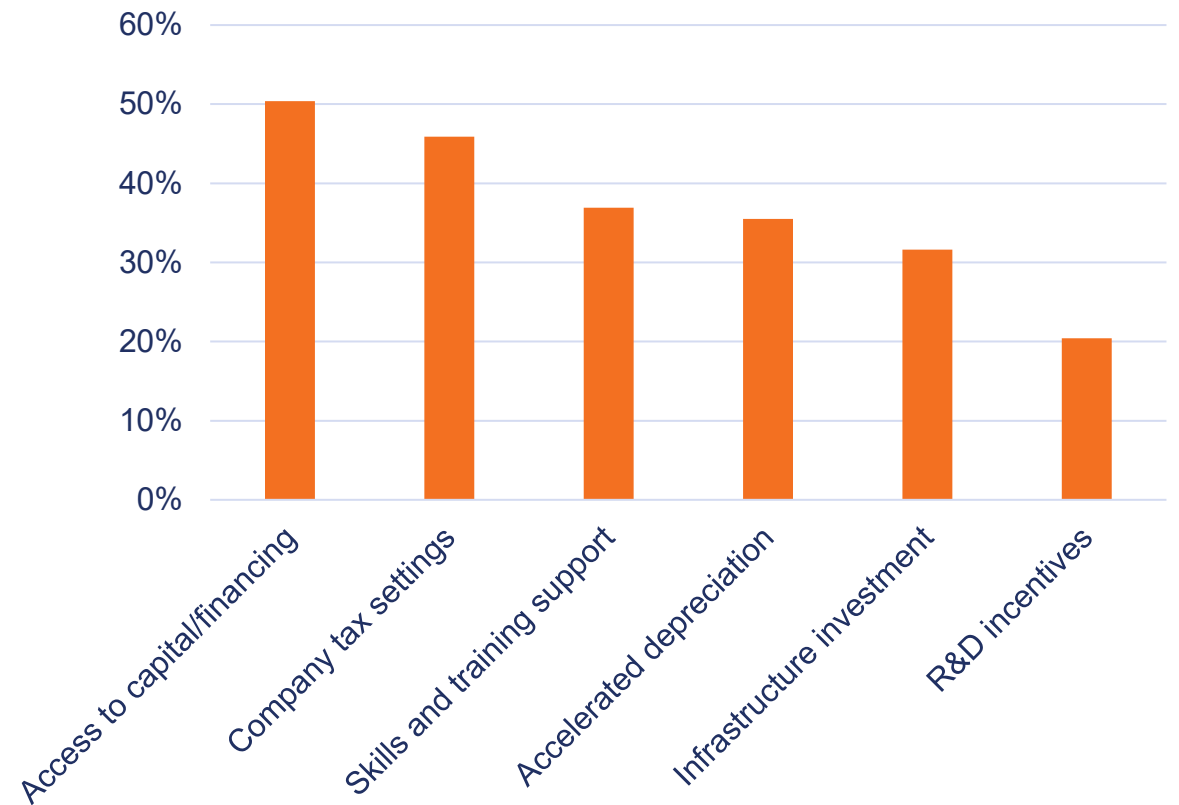
Hosted by Matt Birrell

13 May 2026

2026 Survey

- The Budget headlines don't always reflect what matters most on the ground, so we conducted a survey and heard from 377 individuals representing a broad mix of industries
- Worked closely with several industry associations and business networks, encouraging their members to have their say
- What really came through in the results was that businesses are still willing to invest and grow, but many are approaching decisions carefully, balancing ambition.
- Businesses want to invest, but many are waiting for clearer signals
- Cost pressures and cash flow concerns are reshaping priorities
- AI interest is high, but most organisations are struggling to scale it
- Skills shortages, regulation and uncertainty are slowing progress
- SMEs and mid-market businesses are driving the real economic conversation
- The opportunity now is turning business readiness into real action

Which Federal Budget measures would most improve your organisation's investment capacity?



Winner | \$1000 Visa gift card

Tristan Holroyd, WA



Poll questions



 **How confident are you that the Federal Budget addresses the issues that matter most to Australians?**

 **What is your greatest concern about Australia's economic outlook right now?**

 **What announcement will impact you the greatest?**

Australia's *best* kept
accounting secret

Individuals & SMEs



Chris Dexter
Partner

Capital Gains Tax reforms

- From 1 July 2027, the 50% CGT discount will be replaced by cost base indexation for assets held for more than 12 months, with a 30% minimum tax on net capital gains.
- These changes will apply to all CGT assets, including pre-1985 CGT assets, held by individuals, trusts and partnerships.
- Transitional arrangements will limit the impact on existing investments by ensuring the changes only apply to gains arising on or after 1 July 2027. The 50% CGT discount will continue to apply to gains arising before 1 July 2027.





Negative Gearing reforms

- From 1 July 2027, losses from established residential properties will only be deductible against rental income or the capital gains from residential properties.
- Excess losses will be carried forward and able to be offset against residential property income in future years.
- These changes will apply to established residential properties acquired from 12 May 2026.





Minimum Tax on Discretionary Trusts

- From 1 July 2028, trustees will pay a minimum tax of 30% on the taxable income of discretionary trusts.
- Beneficiaries will still need to declare the income in their tax returns, but beneficiaries, other than corporate beneficiaries, will receive non-refundable credits for the tax payable by the trustee, which can be used to offset current year income tax liabilities.
- The Government will provide expanded rollover relief for three years from 1 July 2027 to support small businesses and others that wish to restructure out of discretionary trusts into another entity type, such as a company or a fixed trust.
- Based on the information currently available, the proposed changes once they come into effect will mean that the use of Corporate Beneficiaries will effectively come to an end.

Individuals & SMEs

- \$20,000 Instant Asset Write-off now permanent
- Tax Loss Carry Back reintroduced
- Refundable tax offsets for start-ups
- Electric Vehicle FBT concessions reduced
- \$250 Working Australians Tax Offset
- \$1,000 standard work-related deduction
- Medicare Levy increase to low income threshold
- Ban on foreign purchases of established dwellings extended
- R&D Tax Incentive change
- Dynamic PAYG Instalments



Accountants & Advisors

We score it:

0.5/5



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Property & Infrastructure



Blake Rodgers
Partner



Property & Infrastructure

Capital gains tax for assets sold after 1 July 2027

Acquired	Asset type	Period subject to indexation	Period subject to 50% CGT discount
Pre Sept 1985	All	1 July 2027 until sold	N/A
Pre 1 July 2027	All	1 July 2027 until sold	Purchase date to 1 July 2027
Post 1 July 2027	All	1 July 2027 until sold	N/A
Post budget night?	New residential	Choice + min tax	Choice

Minimum tax rate from 1 July 2027

- At least 30% of "real gain" accruing from 1 July 2027
- Doesn't apply if marginal rate already above 30%
- Doesn't apply to pensioners and income support recipients

Indexation discount average for past 20 years

House		
	Average capital growth ^(a)	Discount for CPI ^(b)
5y hold	5.8%	42%
10y hold	6.1%	36%
Unit		
	Average capital growth ^(a)	Discount for CPI ^(b)
5y hold	4.1%	59%
10y hold	4.8%	50%
Shares (S&P/ASX 200)		
	Average capital growth ^(a)	Discount for CPI ^(b)
5y hold	4.4%	53%
10y hold	4.3%	56%

"The reduction in investor demand is expected to lead to a small and temporary slowing in house price growth, estimated to see prices grow by around 2 per cent less over a couple years relative to no tax policy change."

Property & Infrastructure



Negative gearing changes – disincentivising investment in existing residential dwellings

- From 1 July 2027, allowed for all assets except for “existing” residential dwellings
 - I.e. only allowed for "new build" homes, which:
 - Excludes knock-down rebuilds and substantial renovations; and
 - Must not have been previously sold or lived in for more than 12 months.
- Also allowed for:
 - Properties bought before 12 May 2026 (contract date)
 - Widely held trusts and super funds
 - Build to rent operators
 - Private investors supporting government housing solutions
- Net rental losses carried forward and offset future rental income or capital gain



Property & Infrastructure

Taxation of trust distributions

- From 1 July 2028, 30% to be withheld from trust distributions
- No credit for corporate beneficiaries

Local infrastructure fund

- \$2bn fund to help local governments and state utilities build essential infrastructure to support new housing - including by connecting essential services such as water, power, sewerage and roads
- States and territories that commit to further reform to drive productivity in the housing sector

Affordable housing

- The Government will provide \$59.4 million over four years from 2026–27 to states to supplement rental income for Community Housing Providers



Accountants & Advisors

We score it:

2/5



Poll answers



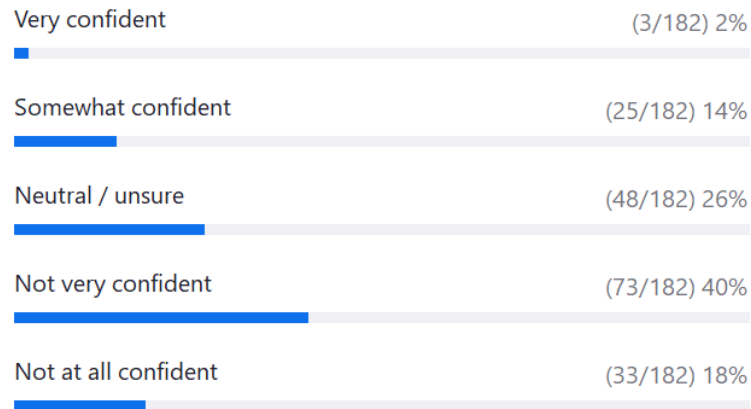
Poll answers

Question 1

Poll ended | 1 question | 182 of 421 (43%) participated

1. How confident are you that the Federal Budget addresses the issues that matter most to Australians? (Single choice)

182/182 (100%) answered

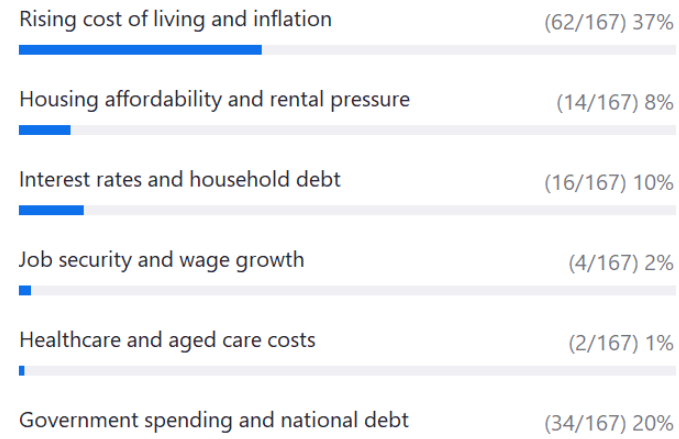


Question 2

Poll ended | 1 question | 167 of 415 (40%) participated

1. What is your greatest concern about Australia's economic outlook right now? (Single choice)

167/167 (100%) answered



Question 3

Webinar poll ended | 1 question | 210 of 414 (50%) participated

1. What announcement will impact you the greatest? (Single choice)

210/210 (100%) answered



Thank you

 Take the lead



Thank you



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