

**The 2026–27 Federal Budget delivered limited additional agribusiness support, largely continuing existing investments, but falling short of sector expectations. The new tax reforms will affect the sector.**

### Key takeaways

- A new 30% minimum tax on discretionary trusts will apply from 1 July 2028, with an exemption for primary production income. This compares favourably to most other taxpayers.
- Pre-1985 (pre-CGT) assets will be subject to capital gains tax on gains accruing from 1 July 2027, with no carve-out announced for farmland in the Federal Budget.
- For individuals, trusts and partnerships, a 30% minimum tax and a new indexation system (in place of the 50% CGT discount) will apply to net capital gains accruing from 1 July 2027.
- A two-year loss carry-back regime will be reintroduced for companies with turnover up to \$1 billion, effective from 1 July 2027.

Earlier in the week, the government announced a \$10bn resilience package to establish a domestic fuel and fertiliser facility and a strategic fuel reserve.

The move has been welcomed by the farming sector, strengthening input security amid Middle East tensions.

The Budget delivered few new agriculture measures. The Government will provide \$77.1m over four years from 2026–27 (plus \$17.5m ongoing) to sustain export and trade functions. This includes:

- \$45.1m for international engagement and standards-setting,
- \$23.8m to support access to key markets, and
- \$8.2m in 2026–27 to maintain export regulatory services. Cost recovery changes are deferred to 1 July 2027 due to Middle East-related disruptions.

### Did the Budget measure up?

The Budget fell short of agribusiness expectations, with limited new investment in supply chains, productivity, and food security. While existing programs continue, there was little to advance sustainability or support workforce capability, leaving the sector without the stronger policy settings and funding many had anticipated to drive long-term growth and resilience.

We score it: **2/5**



**"Agribusiness Gets a Rough Edge"** – Partial support, but no bold moves for agribusiness.



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