

Federal Budget

Economic overview

Australia's incredible economic rebound has helped the government project a smaller deficit for 2020-21 of \$161.0 billion. This is substantially smaller than what was expected just a few months ago. For 2021-22, a deficit of \$106.7 billion is expected to be printed.



Aged Care

80,000 Home Care packages to support older Australians staying at home for longer with a \$6.5 billion investment. \$630.2 million to connect people living in regional areas with aged care services. \$798.3 million to support informal and family carers looking after senior Australians and \$10 per day per resident for aged care providers to provide better care, as part of a \$3,2 billion support package.



Women

There's a billion dollars for "women's safety", which breaks down into \$261 million towards domestic and sexual violence prevention programs with the states, a \$164 million trial of cash-and-kind grants for women fleeing violence, \$90 million on consent education, and \$320 million for women's legal services and children's contact centres.



First home buyers

Three initiatives to help first home buyers. The First Home Loan Deposit Scheme will be expanding by another 10,000 places in 2021-22. The Family Home Guarantee is aimed at helping single parents and will allow them to build a new home or purchase an existing home with a 2% deposit. From July 1, 2022 the First Home Super Saver Scheme has been expanded to allow eligible first home buyers to release up to \$50,000 of their superannuation to purchase a home, up from \$30,000.



Downsizers

Aside from aged care, Australian seniors are set to benefit from a reduction of the downsizer superannuation contribution.

From July 1, 2022, Aussies as young as 60 will be allowed maximum post-tax contributions of up to \$300,000 per person when they sell their homes.



Small businesses

Tax initiatives for businesses introduced in last year's Federal Budget to encourage business spending and support the cash flow of businesses have been extended for another year to the end of 2022-23.

The loss carry-back allows businesses to write-off any losses incurred until June 2023 against profits made on or before 2018-19 rather than on subsequent profits as usually happens.



Personal tax cuts

The government is extending the low-to-middle income tax offset for another year for those earning less than \$126,000 a year, which delivers personal tax relief to households. This tax relief will boost demand throughout the economy.

