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MEDIA RELEASE

ENHANCED INSTANT ASSET WRITE OFF STIMULUS EXTENSION WELCOMED

The Motor Trades Association of Australia (MTAA) representations for an extension to the Federal Government's Enhanced Instant Asset Write Off stimulus has paid dividends with today's announcement by Morrison Coalition Government to extend the initiative to 31 December 2020.

MTAA has provided the Government and officials including the Treasurer's Office, Coronavirus Business Liaison Unit and the Australian Tax Office, information on production, distribution and delivery delays being experienced across several major automotive industries including new car and farm machinery retailing, as well as product suppliers for other auto industries.

MTAA CEO Richard Dudley said today's announcement was warmly welcomed and thanked Treasurer Josh Frydenberg, Jobs Minister Michaelia Cash, and Industry Minister Karen Andrews, for listening and acting on the advice of the MTAA, Members and other industries.

'This is an extremely important ongoing stimulus initiative for Australian small businesses,' Mr Dudley said.

'The Government and Treasurer have recognised and dealt with issues MTAA has raised regarding the impacts of international production facility shutdowns, delays in distribution and delivery to Australia and how this was making the original 30 June 2020 purchase and implementation deadline impossible to achieve,' Mr Dudley said

'This doubt about delivery before 30 June was negatively impacting small businesses taking up the initiative. MTAA provided evidence that brands of tractors, other farm equipment including implements, cars, commercial vehicles and a range of other products including tools and equipment for technicians, motor body repair and other auto industries were facing significant delays,' he added.

Mr Dudley said the decision to extend the initiative means many small businesses who were wavering on making a purchase and using the stimulus initiative will now go ahead. He said primary producers would now be able to make significant purchases ahead of the next season.

MTAA will continue to provide advice and information on a range of other reform and stimulus initiatives to ensure the automotive sector not only recovers but remains sustainable in the long term.

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MTAA National Industry Associations

