

— COVID-19 TESTS DEDUCTIBLE



The Federal Government have announced that the purchase of Polymerase Chain Reaction (PCR) and Rapid Antigen Tests (RAT) will be tax deductible for employees and Fringe Benefits Tax Exempt for employers when purchased for work related purposes.

While we await details of the legislation, this is a welcome development.

Where tests are purchased for work related purposes, they will be tax deductible.

Normal substantiation rules will apply so it will be necessary to keep receipts.

These changes, for tax purposes, will be backdated to 1st July 2021. The FBT changes will apply for the FBT year commencing on 1st April 2021.

We are awaiting more detail with the passage of legislation through the parliament. We are hopeful that this introduced and passed in the few remaining sitting days prior to the election being called.