

Federal Budget 2026

Highlights



Taxation



\$250

Tax offset for workers and sole traders

Working Australians Tax Offset from 2027/28 financial year. Applies automatically at tax time.



\$1,000

Instant tax deduction for work-related expenses

from 1 July 2026

Save time - claim smaller employee expenses without receipts.

Excludes self-employed income. Work expenses higher? Keep receipts for all work expenses.



\$20,000+

Instant write-off

from 2026/27

Small businesses can keep immediately claiming deductions for assets under \$20,000 instead of writing them off over time.



Personal tax cuts

Lowest marginal tax rate reduces to:
15% from 1 July 2026
14% from 1 July 2027

Stage 3 tax cuts - previously legislated



Negative gearing changes

from 1 July 2027

- Applies to residential investment properties bought from 7.30pm AEST 12 May 2026
- Income losses no longer reduce tax on other income
- Certain newly constructed property and all existing assets - unaffected



CGT changes: How your gains are taxed

Tax payable on:
Ownership period



Minimum tax rate 30% applied to gains accrued from 1 July 2027

Some exceptions and transitional rules may apply depending on when the asset was acquired.

Superannuation

Up to \$810

Boost for low-income earner's super

From 1 July 2027, more low-income earners get a bigger refund of tax paid on super contributions - available to those earning up to \$45,000.

Aged Care



\$0

Personal Care

from 1 October 2026

No fees for personal care under Support at Home Program



More \$\$

Increased Government funding for Support at Home and aged care - more beds and more home care places.

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