



MEDIA RELEASE

DR CRAIG EMERSON

Minister for Small Business, Independent Contractors and the Service Economy
Minister for Competition Policy and Consumer Affairs
Minister Assisting the Finance Minister on Deregulation

3 July 2009

Small business tax break helps stimulate car sales to near-record levels

The Rudd Government's small business tax break is supporting jobs in the automotive industry as new car sales surged past the 100,000 barrier last month to their third-highest level in almost 50 years.

Official data released by the Federal Chamber of Automotive Industries (FCAI) today shows that 102,847 new vehicles were sold in Australia in June.

This is the third highest volume achievement in the 48 years in which records have been kept and is up 27,406 vehicles on the May figures – a 36 per cent increase.

Australia's automotive production and supply industry employs 160,000 people.

The Rudd Government's small business tax break is having the desired effect and is clearly providing new optimism in the market place.

This is a remarkable achievement during the worst global recession in 75 years.

Small businesses with a turnover of less than \$2 million per year are able to claim a bonus tax deduction of 50 per cent on the cost of eligible assets acquired between 13 December 2008 and 31 December 2009.

The tax break has the double benefit of stimulating the economy in the face of the global recession and helps create more productive businesses while the economy recovers.

New vehicle sales for June 2009:

NSW - 31,089
Victoria – 26,508
Queensland – 23,509
Western Australia – 10,838
South Australia – 6406
Tasmania – 1814
ACT - 1692
Northern Territory - 991

Media Contact: Chris Ward 0418 424 654