

**Gwydir Valley Irrigators Association Inc.**

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Submission on the draft  
of the Tax Laws  
Amendment (Small  
Business and General  
Business Tax Break) Bill  
2009

March, 2009

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**Introduction:** The Gwydir Valley Irrigators Association (GVIA) represents the interests of irrigation entitlement holders in the Gwydir Valley of North-West, NSW. GVIA is a voluntary organisation with an active financial membership that exceeds 90% of the irrigation entitlement in the Gwydir Valley.

GVIA is a member of both the NSW Irrigators Council and the National Irrigators Council, and while very supportive of these organisations, it does reserve the right to hold and pursue views that may be contrary to these peak organisations.

**Summary:** GVIA calls on the Federal Government to extend the tax breaks (bonus 10% and 30% deductions) to assets purchased and depreciated under Section 40-F of the Income Tax Assessment Act 1997.

**General Comments:** GVIA does not purport to have specialist knowledge of the Australian income tax legislation. However, it does appear to be completely inconsistent with broader Australian Government policy to exclude “water facility:” assets purchased and depreciated under Section 40-F of the *ITAA 1997*.

At a time where the Australian Government has been at the forefront of water reform, and has directed billions of dollars into the process, while actively encouraging irrigators to invest in irrigation efficiency, it should be inconceivable that the government would not merge this aspect of the “Stimulus Package” with its wider water agenda.

Encouraging rapid investment in water reform, by offering the bonus deductions would not only assist in stimulating regional economies, but will help meet the government water reforms aims.

GVIA strongly urges the Australian Government to amend its draft Tax Laws Amendment (Small Business and General Business Tax Break) Bill 2009 so as to extend the bonus deductions to assets purchased and depreciated under Section 40-F.

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