

Post-Implementation Review of Division 7A of Part III of the Income Tax Assessment Act 1936

Division 7A – 2nd Discussion Paper March 2014

This is a brilliantly argued discussion paper. It understands SME structures and financing and finds an answer that supports these structures. A job very well done!

Would you consider modifying the proposed single 10 year repayment plan (rather than 7 or 25 years is secured over real property) with payments not required every year, but rules like 25% repaid by year 3, 50% by year 5...

As SMEs like certainty with discretion where times are hard I think many SMEs would prefer a straight line ten year repayment with the ability to miss two year's payment that are made up over the following two years. Or something similar.

But well done!

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