



The Australian Pre-election Federal Budget 2025/2026

The government has dropped the 2025/26 Pre-election Federal Budget, and let's just say - it's about as exciting as a warm beer. With an election looming, it's more of a "holding pattern" than a full spread, but here's what you need to know...

Tax Cuts: Eventually... Maybe...

- The government's serving up tax cuts... but only if you stick around until 2027 and 2028 financial years.
- The 16% tax rate drops to 15% in 2027 and then to 14% in 2028 - so don't spend that extra \$268 all at once.

The Big One: They're Not Taxing Your Beer! (well increasing it anyway)

- Draught beer won't cop a tax increase for two years - helping your schooner to stay affordable over the coming years.
- Breweries & distilleries get a tax break too, with their excise cap bumped up to \$400,000 - cheers to that!

Medicare Levy: A Small Win

- Low-income earners will get a higher Medicare levy threshold, meaning fewer people will have to fork out for the levy.
- Not exactly winning the lotto, but every bit helps when the cost of living keeps climbing.

ATO Getting Muscles (and a Fat Wallet)

- The ATO is getting \$999 million to crack down on dodgy businesses and tax avoiders so if you've been "forgetting" about that side hustle, now's the time to clean up your act.

Student Loans: A Little Relief

- The government's wiping 20% off all HELP debts, which is great news for anyone still paying off that arts degree they never used.
- Plus, you won't have to start repayments until you earn \$67,000 - a small break for grads still struggling with rent.

Energy Rebates: Small, But Better Than Nothing

- Households and small businesses will get two \$75 rebates on electricity bills - which might just cover one power bill (if you don't use the air-con too much, boil the kettle or take hot showers).

First Home Buyers: A Tiny Helping Hand

- The Help to Buy scheme gets a boost, with higher income caps and adjusted property price limits with an aim to put a dent in the housing crisis and help a few lucky people out.



The Australian Pre-election Federal Budget 2025/2026

Foreign Investors Get a Time-Out

- Foreigners are banned from buying existing homes for two years (unless they're building new ones).

Banning Non-Compete Clauses for Everyday Workers

- Bosses can no longer lock in low and middle-income workers with non-compete clauses, meaning if you find a better gig, you're free to take it.
- It's a small but solid win for fair work conditions. However, for employers, it could mean increased pressure for pay rises in an already challenging economic climate.

This pre-election budget is safe, small, and election-friendly. It's not throwing money around, but it's also not making any big moves. If you were hoping for huge cost-of-living relief, you might be waiting longer than that tax cut in 2028.