

**JOINT MEDIA RELEASE
WITH
JIM TURNOUR MP
MEMBER FOR LEICHHARDT**

**CAIRNS LOCAL BUSINESS SUCCESS STORY
ASSISTED BY THE SMALL BUSINESS TAX BREAK**

The Assistant Treasurer, Senator Nick Sherry, and Federal Member for Leichhardt, Jim Turnour, have today met with and congratulated Cairns small business owner Ray Larnarch, who has entered a new chapter in the growth of this successful small business with the assistance of local hard work and the Small Business Tax Break.

Defying the global recession, in the past year, PTS Traffic Management, owned by Mr Larnarch, has gone from strength to strength, rapidly expanding its Cairns-based business.

Mr Larnarch took advantage of the Small Business Tax Break earlier this year, purchasing two new work vehicles from Westco Motors, another Cairns business visited by the Assistant Treasurer and Mr Turnour today.

"From six employees this time last year, Mr Larnarch now operates his traffic control company with up to thirty employees, and is looking forward to moving into new premises in the months ahead in order to accommodate his growing fleet of vehicles and equipment," said the Assistant Treasurer.

"This growth is being driven by the hard work of Mr Larnarch and his dedicated staff, and is also being directly supported by investment and growth incentives put in place by the Rudd Government."

"Jim Turnour told me about this business and said we needed to come by and see it first hand – and I am glad I did. It's a local success story and it's exactly what we had in mind when we developed the Small Business Tax Break."

The Small Business and General Business Tax Break provides an additional tax deduction for expenditure on certain qualifying assets.

Small businesses, being those with a turnover of \$2m or less, are able to claim a bonus tax deduction of 50% – up from 30% previously – of the cost of eligible assets acquired between 13 December 2008 and 31 December 2009, and installed by 31 December 2010. Small businesses only need to invest a minimum of \$1000 per asset in order to qualify for the Tax Break.

"The Small Business Tax Break has been very well received by small businesses here in Cairns," Mr Turnour said.

"Cairns is a city built on small business and I hope many will continue to seize this significant tax break before the end of the year."

"We are clearly in the midst of a very difficult economic period for Australia and Cairns has felt the effects of the global recession due to our region's reliance on tourism and construction, two industries that have suffered significantly."

Mr Turnour said the increased Small Business Tax Break provides local small businesses with an even greater incentive to invest in new capital items, such as computer hardware and business vehicles, and to make capital improvements to existing machinery and equipment.

The decision to increase the tax break was welcomed by industry bodies, including the Australian Chamber of Commerce and Industry and the Federal Chamber of Automotive Industries.

CAIRNS

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