

19 September 2022

Director
Small Business Tax Unit
Treasury
Langton Cres
Parkes ACT 2600

Via email: TechBoost@treasury.gov.au

Re: Technology Investment Boost Consultation

To Whom it May Concern:

The Association of Digital Service Providers Australia New Zealand (DSPANZ) welcomes the opportunity to make this submission on behalf of our members and the business software industry.

Although small businesses are major contributors to the economy, they often lag behind larger businesses in terms of digital adoption and skills. To remain competitive in the global economy and resilient to future economic changes, small businesses need to adopt digital technologies and upskill employees. We see both the Skills and Training Boost and Technology Investment Boost as key initiatives to support small businesses, and DSPANZ broadly supports both measures.

In their report, [The Digital Disconnection Challenge](#), DSPANZ member MYOB calculated from research conducted in 2021 that 466,062 SMEs, approximately 20% of Australian businesses, are not engaged with digital tools across critical areas of their business processes. That's because small businesses often lack the necessary resources to make the switch to digital.

The challenges involved in adopting digital technologies can be significant, but with the right support from the government, businesses can overcome these challenges and reap the many benefits that digitalisation has to offer. We encourage all small businesses to take advantage of the Technology Investment Boost, as well as the Skills and Training Boost, by 30 June 2023, as they will provide significant benefits to the Australian economy.

The examples of business expenditure included in the legislation and explanatory memorandum cover what we expect to be included under the boost. While this will enable small businesses to claim a wide range of software and services, similar incentives have

often been limited to subsets of software and/or services and we remind the Government to avoid narrowing the scope for what types of software and/or services are eligible.

While not specifically excluded, we recommend that the following two items are recognised as eligible expenses:

- Technology implementation costs including: consulting, conversions or upgrades and initial hosting fees or subscriptions; and
- Purchase of tools and training packages to conduct in-house training.

DSPANZ welcomes the opportunity to provide further feedback on our submission. For more information, please contact Maggie Leese.

About DSPANZ

Digital Service Providers Australia New Zealand is the gateway for the government into the dynamic, world class business software sector in Australia and New Zealand. Our 90+ members range from large, well-established companies through to new and nimble innovators who are working at the cutting edge of business software and app development on both sides of the Tasman.

Yours faithfully,

Simon Foster,
President & Director,
DSPANZ

Maggie Leese,
Manager - Communications & Advocacy,
DSPANZ

