


ON-FARM ACCOMMODATION: THE SMART MOVE THAT PAYS OFF

On-farm accommodation isn't just a cost—it's a smart investment that helps retain workers, boost productivity, and even offer tax benefits. Learn how modular accommodation makes it easier than ever.

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On-Farm Accommodation: Smart Investment & Tax Benefits

Ask any farmer, and they'll tell you—keeping good workers on the farm is getting harder. Whether it's farmhands, managers, or seasonal staff, finding and keeping reliable people is one of the biggest challenges in agriculture today. And when you do find the right workers, keeping them **happy**, productive, and on-site makes all the difference.

That's why more farmers are investing in on-farm accommodation. But what many don't realise is that, beyond the obvious benefits, **there are real financial and tax advantages** that make it an even smarter decision.

Understanding the tax side of things can help farmers make more informed decisions, and there are many agribusiness accounting firms around Australia that can assist in this area. One example is Byfields, a well respected firm that **recently wrote a useful breakdown** of the tax treatment of on-farm accommodation, covering depreciation, deductions, and fringe benefits tax (FBT). While we have no affiliation with Byfields, their article highlights key points that apply broadly to farm owners across the country.

In this blog, we'll break down the bigger picture—how on-farm accommodation benefits your farm, what financial considerations come into play, and why modular housing is a practical, cost-effective solution.

Understanding the Financial Side of On-Farm Accommodation

Before we go any further, a quick disclaimer: **We're not tax advisors. This blog isn't financial advice—it's simply a discussion of what's possible.** Every farm's situation is different, so if you're serious about investing in on-farm accommodation, speak with a qualified accountant to see what applies to you. There are many agribusiness accounting firms across Australia that can provide expert guidance.

That said, some key financial considerations come into play when setting up accommodation on the farm:

- **Who's using the accommodation?** If it's for employees, tax treatment may differ compared to housing for contractors or family members.
- **Depreciation benefits.** Buildings and improvements often qualify for depreciation, meaning you can claim part of the cost over time, reducing taxable income.
- **Claiming it as a business expense.** Depending on how the accommodation is used, some costs may be tax-deductible.
- **Fringe Benefits Tax (FBT).** If you're providing housing to employees, FBT might apply—though in many cases, farms in remote areas can get exemptions.

A good agribusiness accountant will help you navigate these details and structure your investment in a way that works for you.



But It's Not Just About Tax Savings...

Yes, financial advantages are important. But even if there were no tax benefits at all, on-farm accommodation would still be a game-changer for many properties. Here's why:

1. Keeping Good Workers

If you've ever struggled to find skilled labour, you know how competitive the market is. Offering quality, onsite

accommodation makes your farm more attractive to workers and gives them a reason to stay. A comfortable place to live means a happier, more productive team.

2. Saving Time and Boosting Productivity

No one does their best work after a long commute. When workers live on the farm, they start fresh, on time, and with fewer distractions. This is especially important during peak seasons when every extra hour counts.

3. Succession Planning and Family Living

Many farms are family operations, and finding room for the next generation can be tricky. Extra accommodation allows young farmers to stay on-site while maintaining their independence, helping with long-term succession planning.

4. Quick Response to Emergencies

When the unexpected happens—whether it's livestock issues, a storm, or machinery breakdowns—having key people on-site can mean the difference between a minor problem and a major disaster.

5. Long-Term Value for Your Property

A well-built accommodation unit doesn't just serve today's needs—it's an asset for the future. Many agricultural managers who are **smart about their investments in their people for getting better performance from their organisation** already recognise this. They understand that the right accommodation isn't just an expense—it's a strategic move that supports their workforce, streamlines operations, and ultimately leads to a more efficient and profitable farm.

Why Modular Makes Sense

Now that we've covered why on-farm accommodation is a smart move, let's talk about **how** to do it right. Traditional builds can be expensive, slow, and disruptive to farm

operations. That's where modular accommodation comes in.

- **Faster installation.** Modular buildings are prefabricated, meaning they go up quickly with minimal disruption.
- **Cost-effective.** They reduce labour and material costs while maintaining quality.
- **Designed for comfort and practicality.** Well-designed spaces keep workers comfortable and productive.

At Aruva Modular, we focus on **the rapid fulfilment of superior modular buildings, driven by efficient processes & approved partnerships. Our process keeps it simple, so you're sorted from start to finish.**

Final Thoughts: Think Bigger About On-Farm Housing

Agricultural managers who are **smart about their investments in their people for getting better performance from their organisation** aren't just looking at today's costs—they're thinking long-term. If you're considering on-farm accommodation, make sure you get expert financial advice. There are many agribusiness accountants across Australia who can guide you through the tax side of things and help you structure your investment wisely.

And if you're ready to explore modular accommodation that's **practical, cost-effective, and easy to install**, get in touch with us at [Aruva Modular](#).

Because at the end of the day, it's all about a good night's sleep.



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