



Small Business Bushfire Support Grant

The Victorian and Commonwealth Governments have announced Small Business Bushfire Support Grants of \$10,000 to support small businesses (including primary producers) who have experienced a significant loss of income due to the Victorian bushfires that commenced 21 November 2019.

To be eligible for the grant, you must:

- be a small business owner
- hold an Australian Business Number (ABN) and have held that ABN at the time of the eligible disaster
- have been engaged in carrying on the small business in the defined disaster area when you were affected by the eligible disaster
- have suffered a decline in revenue of 40% or more in a 3-month period, compared to the same period in the previous year, as a result of the eligible disaster
- be located in one of the following LGAs: Alpine (including the Alpine resorts), East Gippsland, Towong, Wellington, Indigo, Mansfield and Wangaratta

Grant assistance is also available to small businesses who work within the eligible disaster areas on a regular basis, provided they can demonstrate significant impact.

The Victorian Small Business Bushfire Support Grant is funded by the State and Commonwealth Government.

These grants are provided to support eligible small businesses to recover from the bushfires and rebuild resilient businesses, for example;

- meeting business costs, including utilities, salaries and rent;
- seeking financial advice to support the recovery of the business;
- developing the business through marketing and communications activities or
- improvements to make the business more resilient to future disasters.

Please read the following Guidelines before completing the Application Form.

Completed application forms, together with supporting documentation must be submitted to Rural Finance by **31 December 2020** via:

Apply Online: www.ruralfinance.com.au

Email: governmentservices@ruralfinance.com.au

Post: Rural Finance, PO Box 1313, Bendigo Central 3552

Guidelines

1. About the program

1.1 The objective of this assistance measure made by agreement between the Commonwealth and relevant State Governments under the Disaster Recovery Funding Arrangements, is to support small businesses (including primary producers) significantly affected by the 2019-2020 bushfire disaster events (eligible disaster events commencing 21 November 2019) in defined disaster areas agreed between the Commonwealth and states.

The Small Business Bushfire Support Grant application period is effective for six months upon announcement of the grants. Extensions of the program may be considered following submission to the Commonwealth.

These guidelines aim to assist applicants and administering state agencies.

States and territories will deliver the program.

The Australian Government has made the grant assistance received under this scheme non-assessable, non-exempt income.

2. Available funding

2.1 The grant amount is \$10,000.

3. How funding may be used

3.1 Grants are provided to support eligible small businesses to recover from the bushfires and rebuild resilient businesses. This may include, but is not limited to, any of the following:

- a) meeting standing business costs, including utilities, salaries and rent;
- b) seeking financial advice to support the recovery of the business;
- c) adjusting the business to be viable in the changed local context following the bushfires;
- d) developing the business and extending business reach through marketing and communications activities; or
- e) improvements to make the business more resilient to future disasters.

4. Eligibility criteria

4.1 To be eligible for the grant, the applicant must:

- a) be a small business owner;
- b) hold an Australian Business Number (ABN) and have held that ABN at the time of the eligible disaster;
- c) have been engaged in carrying on the small business in a defined disaster area when affected by the eligible disaster; and
- d) have suffered a decline in revenue of 40% or more in a relevant three month period (compared to a relevant three month period in the previous year) as a result of the eligible disaster in the defined disaster area.

4.2 Small businesses may be assessed for exceptional circumstances eligibility where they do not explicitly meet the eligibility criteria outlined at section 4.1 but are located in or regularly conduct business in the selected LGAs and have been significantly impacted by the eligible disaster. This may include situations where:

- a) an applicant has experienced significant revenue loss as a result of the eligible disaster but does not meet the 40% income loss threshold;
- b) an applicant employs 20 or more full time equivalent employees but has a turnover of less than \$50 million; or

- c) an applicant has not experienced significant revenue loss but was affected by a significant increase in expenses as a result of the eligible disaster in the defined disaster area that has significantly reduced profit.

4.3 Upon assessment, the following circumstances may be considered exceptional:

- a) a business has difficulty meeting usual costs as a result of the eligible disaster;
- b) a business is unable to retain staff as a result of the eligible disaster;
- c) a business is experiencing solvency issues as a result of the eligible disaster;
- d) critical business supply inputs are no longer available, or are significantly more expensive, due to the eligible disaster;
- e) a business needs to make significant adjustments to remain viable in its current location; or
- f) other exceptional circumstances as agreed between a state and the National Bushfire Recovery Agency.

4.4 Exceptional circumstances eligibility can be assessed by Rural Finance. The NBRA will moderate these exceptional circumstance approvals across states to ensure national consistency.

4.5 Applicants will not be precluded from applying for this grant if they have already received assistance under the Emergency Bushfire Response: Small Business Grants or the Emergency Bushfire Response in Primary Industries Grants programs.

5. Eligible separate business, business location and meeting small business criteria

5.1 Applicants who operate more than one small business under a single ABN may apply for assistance for each eligible separate business for the relevant defined disaster area.

5.2 To determine eligible separate businesses, the following can be considered:

- a) the staffing arrangement of the separate business;
- b) whether the separate business has its own plant, equipment or stock;
- c) the accounting and insurance arrangements of the separate business;
- d) whether the separate business operates under their own trading name;
- e) the commercial viability and autonomy of each business.

6. Evidence of impact

6.1 Applicants will certify in writing, or to an official in Rural Finance that they meet the eligibility criteria. Supporting documentation may be submitted along with the application, however where evidence is not readily available the application will still be considered.

6.2 Applications are subject to audits. Applicants will be required to produce evidence of decline in revenue associated with the eligible disaster, for example bank statements, evidence of cancellations of bookings, evidence of lost production or harvest as a result of the bushfire or smoke impacts, invoices issued, or business activity statements compared to a relevant three month period the year before. Evidence is also required to support location of the Small Business within the eligible LGA area for example rates notice or lease agreement and also that the business meets the small business criteria FTE (eg payroll reports) and business turnover.

6.3 A decline in revenue will be taken to be a result of the bushfire if, for example, the business was in defined disaster area and subject to either:

- a) an evacuation order or tourism leave order;
- b) other supply chain interruptions or stock damage resulting in reduced sales, such as through road closures and utility disconnections; or
- c) significantly reduced customer numbers, such as through consumer perception of danger and smoke haze.

7. Terms and conditions

7.1 Applicants are able to apply for assistance under the scheme where they are a *small business* owner.

7.2 Applicants must retain all tax invoices, official receipts, bank statements, quotations or other similar records for assistance received under the scheme until five years after the closing day for applications for the eligible disaster.

7.3 Applicants must consent to the Commonwealth or Rural Finance conducting an audit of documentation used to support an application to verify information provided.

7.4 If information in the application is found to be untrue or misleading, the matter may be referred to law enforcement authorities of the relevant Australian, state or territory government and penalties may apply.

8. Definitions

Administering Agency means the responsible agency/department/body for assessing and administering the *small business grant* applications.

Defined disaster area means the following Local Government Areas in Victoria for which the Commonwealth will fully fund grants under this program:

State	Local Government Area
VIC	Alpine (including the Alpine resorts), East Gippsland, Towong, Wellington, Indigo, Mansfield and Wangaratta

Note: Guidelines will be updated to recognise additional LGAs as they are agreed.

Disaster Recovery Funding Arrangements means the funding arrangements as agreed between the Commonwealth and the State for providing financial assistance to communities affected by an *eligible disaster* (available on the Australian Government Disaster Assist Website).

Eligible disaster means bushfire.

Eligible separate business means a separate *small business* owned by the same *small business* owner that would be a commercially viable and autonomous business if the other separate businesses ceased to operate.

Full-time employment means an individual who ordinarily works for at least 35 hours each week for the *small business*.

Public company means a *public company* within the meaning of the Corporations Act 2001.

Revenue means all gross income (before tax) from everyday business activities, including sales made over the internet, income from sales (cash and electronic) and foreign income. Gross income doesn't include goods and services tax (GST).

Small Business is a business that:

- a) holds an Australian Business Number (ABN); and
- b) is not a *public company*, charitable business (charitable business means a business that does not operate to make a profit) or body corporate under the *Body Corporate and Community Management Act 1997*; and
- c) employs fewer than 20 *full time employees*. That is, the sum total of all standard hours worked by all employees (whether full-time or part-time) is less than the number of standard hours which would be worked by 20 full-time employees, as defined by the Australian Bureau of Statistics.

Small business in development means an enterprise that is being developed by an individual and in the opinion of the *administering agency* will be developed into a *small business* that will be carried on by the individual as a sole trader.

Small business owner is a sole trader, partnership, private company or trust that carries on a *small business*.