

Business support payments – Tasmania

FEDERATION FUNDING AGREEMENT – AFFORDABLE HOUSING, COMMUNITY SERVICES AND OTHER

Parties	Commonwealth Tasmania
Duration	This Schedule is expected to expire on 30 June 2022.
Purpose	<p>This Schedule will support the delivery of business support packages (the packages) to eligible Tasmanian businesses financially impacted by ongoing health restrictions and lockdowns due to COVID-19 in other states and territories. Details of each package can be found in the relevant appendix to this Schedule.</p> <p>Implementation and compliance will be managed by Tasmania.</p>
Reporting arrangements	<p>At the conclusion of the support package, Tasmania must provide a report to the Commonwealth that includes:</p> <ul style="list-style-type: none"> total number of unique applications received, total number of unique applications paid, total value of applications paid total value of payments already made to businesses that were subsequently found, to have been ineligible for support under this scheme; and a statement of assurance confirming that the money has been disbursed to applicants in accordance with the criteria set out in the appendices to the Schedule. <p>The data should be broken down by each element of each support package as set out in the appendices to the Schedule.</p> <p>The reports should be provided to the Commonwealth as soon as practicable after the conclusion of the package.</p> <p>The Commonwealth may request additional data on the support packages in writing.</p>

<p>Estimated financial contributions</p>	<p>The Commonwealth's financial contributions under each package will be set out in the appendices to this Schedule.</p> <p>Payments to Tasmania will be made following conclusion of each package based on the final package reports provided by Tasmania.</p>
<p>Additional terms</p>	<p>Tasmania agrees to implement the grant program in accordance with the parameters outlined in the Appendix.</p> <p>Where businesses that received a support payment are later found to have been ineligible, Tasmania will repay the Commonwealth's financial contributions towards those businesses.</p> <p>Repayments to the Commonwealth may be managed by either the Commonwealth reducing a future payment to Tasmania under this Schedule by the relevant amount; or by the Commonwealth invoicing Tasmania for the relevant amount.</p> <p>Sole traders who receive business support through the programs listed in the appendices will not be eligible to receive the COVID-19 Disaster Payment for the same relevant period.</p>

The Parties have confirmed their commitment to this Schedule as follows:

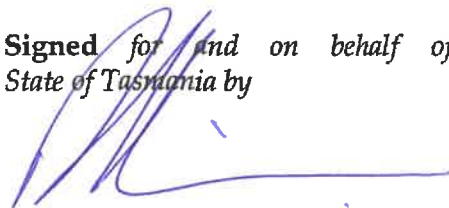
Signed for and on behalf of the Commonwealth of Australia by



The Honourable Josh Frydenberg MP
Treasurer of the Commonwealth of Australia

31 March
April 2022

Signed for and on behalf of the State of Tasmania by



The Honourable Peter Gutwein MP
Premier of the State of Tasmania

April 2022

Business support payments – Tasmania

Appendix A: Tasmanian Business Support Package announced 13 August 2021 and 31 August 2021

1. This appendix to the *Business support payments – Tasmanian Schedule* (the Schedule) supports the delivery of the Tasmanian Business Support Package (known as the Business Hardship - Border Closure Critical Support Grant program) announced on 31 August 2021 (this package). This package will support Tasmanian businesses that are impacted as a direct result of lockdowns and ongoing health restrictions in other jurisdictions.
2. The Commonwealth will reimburse Tasmania 50 per cent of all payments made to eligible businesses under this package, at an estimated cost of \$2 million to the Commonwealth.
3. Payment to Tasmania will be made following the provision of a report in relation to this package that satisfies the requirements outlined in the Schedule.
4. In agreeing to this appendix, Tasmania agrees to implement this package, for the listed programs, in accordance with the parameters and eligibility criteria detailed below.

Business eligibility criteria

5. Businesses may be eligible for a grant if they have suffered a 30 per cent or more reduction in turnover (for a comparative period prior to 26 June 2021) as a direct result of lockdowns and border closures in other states, as a result of:
 - 5.1. A reduction in the number of visitors being able to travel to Tasmania; and/or
 - 5.2. A reduction in the ability to provide, sell or import goods and services
6. Grant scaling will be informed by business annual turnover.
 - 6.1. Annual turnover is for the 2020-21 financial year or 2020 calendar year.

Payment arrangements to eligible businesses

7. Grants are scalable based on annual turnover:
 - 7.1. \$2,000 for sole traders or businesses that do not employ staff with a minimum turnover of \$50,000;
 - 7.2. \$5,000 for businesses that employ staff with an annual turnover above \$100,000 up to \$1 million; and
 - 7.3. \$10,000 for employing businesses with turnover above \$1 million up to \$10 million.

Implementation

8. Applicants will be required to provide information showing how turnover has been impacted.
9. Applications will be subject to spot audits.
10. The program will be non-competitive with grants assessed in order of receipt and assessment.
11. The grants will be actioned through a single payment and will be paid as soon as applications are assessed.

This Appendix was agreed by the Commonwealth and Tasmania when the overarching Schedule was signed.

Business support payments – Tasmania

Appendix B: Tasmanian Business Support Package announced 14 September 2021

1. This appendix to the *Business support payments – Tasmanian Schedule* (the Schedule) supports the delivery of the Tasmanian Business Support Package (Supercharged Support Program), known as the COVID-19 Micro and Small Business - Border Closure Critical Support Grant announced on 14 September 2021 (this package). This package includes two rounds of grant payments to support Tasmanian businesses through to reopening in accordance with the National Reopening Plan.
2. The Commonwealth will reimburse Tasmania 50 per cent of all payments made to eligible businesses under this package, at an estimated cost of \$35 million to the Commonwealth.
3. Payment to Tasmania will be made following the provision of a report in relation to this package that satisfies the requirements outlined in the Schedule.
4. In agreeing to this appendix, Tasmania agrees to implement this package, for the listed programs, in accordance with the parameters and eligibility criteria detailed below.

Business eligibility criteria

5. Businesses may be eligible for a grant if they:
 - 5.1. have suffered a 30 per cent reduction in turnover, in accordance with the requirements of the program guidelines; and
 - 5.2. operate within the tourism, hospitality, arts and events, seafood and transport (hire car, coach tours) sectors and other businesses that are impacted by the lockdowns and border restrictions that are in place in other states.

Grants for eligible businesses

6. The following grant amounts will be available:
 - 6.1. A total of \$7,000 disbursed over two rounds of grants for non-employing businesses with an annual turnover of \$25,000 to \$49,999; (one grant payment of \$4,000 and one of \$3,000)
 - 6.2. A total of \$14,000 disbursed over two rounds of grants for non-employing businesses with annual turnover of \$50,000 to \$1 million (one grant payment of \$8,000 and one of \$6,000);
 - 6.3. A total of \$35,000 disbursed over two rounds of grants for employing businesses with annual turnover of \$50,000 to \$1 million (one grant payment of \$20,000 and one of \$15,000);
 - 6.4. A total of \$60,000 disbursed over two rounds of grants for employing businesses with annual turnover of \$1 million to \$5 million (one grant payment of \$35,000 and one of \$25,000); and
 - 6.5. A total of \$110,000 over two rounds of grants for employing businesses with annual turnover of \$5 million to \$10 million (one grant payment of \$60,000 and one of \$50,000).
7. Businesses that were originally enrolled in the Business Support – Border Closure Critical Support Grant, and which became eligible for the Micro and Small Business – Border Closure Critical Support Grant when it was announced, received the relevant funding under the latter program.
8. All applicants (including those which applied under the Business Support – Border Closure Critical Support Grant program) will be required to reconfirm their hardship status in order to be eligible for the second payment.

This Appendix was agreed by the Commonwealth and Tasmania when the overarching Schedule was signed.