



State Government announces additional support for Victorian businesses

On 13 September 2020, the Victorian Government announced that \$3 billion in cash grants, tax relief and cash flow support will be delivered to Victorian businesses most affected by the COVID-19 restrictions. Refer to the media release, *'Supporting Victorian Businesses On Our Road To COVID Normal'*, by The Hon Daniel Andrews.

The 'Business Resilience Package' is aimed at helping businesses survive and prepare for 'COVID normal' business, as well as to maintain employment within Victoria.

1. Business Support Fund – Round three

A **one-off cash grant** will be available to eligible businesses with an annual payroll of up to \$10 million, as part of the third round of the Victorian Government's Business Support Fund.

The previous two rounds (now closed) provided grants to support businesses affected by initial restrictions and the renewed restrictions that commenced in early August 2020.

Generally, to be eligible for a third-round grant, applicants must:

- operate a business located within Victoria;
- participate in the JobKeeper Payment scheme;
- employ people and be registered with WorkSafe;
- have had an annual payroll of less than \$10 million in 2019/20;
- be registered for GST purposes;
- hold an ABN; and
- be registered with the responsible Federal or State regulator.

Broadly speaking, depending on the annual payroll size, an eligible business will receive a third-round **cash grant of \$10,000, \$15,000 or \$20,000** as follows:

Annual payroll size	Grant amount
Less than \$650,000	\$10,000
Between \$650,000 and \$3 million	\$15,000
Between \$3 million and \$10 million	\$20,000

Applications for the grant open on Friday 18 September 2020. For further information about the grant, including specific details of the eligibility criteria and entitlements, reference should be made to the Business Victoria website (www.business.vic.gov.au).

2. Other key business support measures

The Victorian Government's \$3 billion 'Business Resilience Package' includes various other measures, such as cash grants to support sole traders and hospitality businesses, and State tax relief. It also provides additional funding, tools and resources to help businesses adapt and prepare for re-opening under COVID normal settings.

The following table provides a summary of **other key measures** announced. Further details will be made available at www.business.vic.gov.au.

Additional Support for Victorian Businesses

Measure type	Details of measure
1. Business support	<p>(a) Sole traders – Grants of up to \$3,000 to eligible sole traders in sectors such as retail, accommodation and food services, creative and media, hairdressing, gyms, events, education and training, who operate from a commercial premises (or location) as a tenant.</p> <p>(b) Licensed hospitality businesses – Grants of up to \$30,000 for licensed pubs, clubs, hotels, bars, restaurants and reception centres, based on their venue capacity and location.</p> <p>(c) Alpine businesses – Grants of up to \$20,000 to help businesses pay a service charge to Alpine Resort Management Boards.</p>
2. Tax waivers and deferrals	<ul style="list-style-type: none"> • Payroll tax deferral for businesses with payrolls up to \$10 million for the full 2020/21 financial year. • Waiver of Vacant Residential Land tax for vacancies in 2020. • Waiver of \$27m in liquor license fees for 2021. • 50% stamp duty discount for commercial and industrial property for all of regional Victoria will be brought forward to 1 January 2021. • 25% waiver of the Congestion Levy, with the balance deferred. • Deferral of the planned increase in the Landfill Levy for six months.
3. Business adaption	<p>(a) Melbourne City Recovery Fund – Support for the CBD to reopen to ‘COVID normal’ in the lead up to Christmas and during summer. It includes grants for small and medium businesses to pay for equipment, convert spaces (e.g., rooftops, courtyards) into hospitality zones, and remodel internal layouts for a better flow of patrons.</p> <p>(b) Outdoor Eating and Entertainment Package – Funding to support hospitality businesses and councils prepare for COVID normal reopening across Victoria. It includes grants of up to \$5,000 for hospitality businesses (e.g., pubs, clubs, restaurants and cafes) with an annual payroll of <i>less than</i> \$3 million to help adapt to outdoor dining.</p> <p>(c) Voucher program to assist sole traders and small businesses in building their digital capability through off-the-shelf digital programs such as Shopify or Square online to help adapt to online operations.</p> <p>(d) An assistance package may be available for Victorian exporters to get their products to market by addressing logistics and supply chain issues caused by the pandemic.</p> <p>(e) Grants of up to \$500,000 per metropolitan and regional council, and \$250,000 for rural councils.</p>

The following example is adapted from the Business Victoria factsheet, [‘Sole Trader, Hospitality and Melbourne CBD support packages’](#).

EXAMPLE – Sole trader support grant

Asha runs a dance school in Preston.

Asha is registered for GST and earned \$77,000 last year. Asha has been unable to open her dance school since March and relies on JobKeeper to meet living and business costs. Asha rents a small premises to run her dance classes. Asha is eligible for the \$3,000 sole trader grant, which will help her meet with the costs of her business.

This document was released on 18 September 2020 and was current as at that date. It does not take into account any subsequent changes.