



ACT
Government

ACT SMOKE TAINT GRANTS

GUIDELINES

Chief Minister, Treasury and Economic
Development Directorate

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GUIDELINES

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1. ABOUT THE PROGRAM

- 1.1 The objective of this assistance measure, made by agreement between the Commonwealth and relevant State Governments under category D of the Disaster Recovery Funding Arrangements (DRFA), is to support wine grape producers who have suffered crop damage from smoke taint caused by the Black Summer 2019-20 bushfires, and who are located outside the areas that are eligible for the Emergency Bushfire Response in Primary Industries (EBRPI) and Small Business Bushfire support grants.
- 1.2 The Smoke Taint Grant application period is until 31 December 2020.
- 1.3 These guidelines aim to assist applicants and administering agencies.
- 1.4 The program will be delivered by states and territories, and fully funded by the Commonwealth.
- 1.5 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 for up to \$10,000 (GST does not apply) per eligible business.
- 2.2 Applicants are required to provide a dollar-for-dollar cocontribution to the value of the grant they apply for.
- 2.3 Eligible co-contributions can include any combination of:
 - a. cash-on-hand,
 - b. commercial loans or government concessional loans, or

- c. eligible expenses already incurred since August 2019. *Refer Section 3 for more information about eligible expenses.* To be clear, the co-contribution can be for different items to the grant as long as the co-contribution is an eligible expense.
- 2.4 Ineligible matching co-contributions include other government or non-government grant programs, including funding from state and territory programs.

3. HOW FUNDING MAY BE USED

- 3.1 Eligible activities and expenses do not need to be directly related to smoke taint. Grants are provided to support eligible wine grape producers to recover from the bushfires and rebuild resilient businesses.
- 3.2 Eligible activities may include, but are not limited to, any of the following:
- > meeting ongoing business costs, including (but not limited to) utilities, salaries and rent
 - > seeking financial advice to support the recovery or future of the business
 - > adjusting the business to be viable in the changed local context following the bushfires
 - > developing, promoting or extending the business reach through marketing and communications activities, or
 - > improvements to make the business more resilient to future disasters.
- 3.3 Repairing damage to residential properties is not an eligible activity, and grants will not be permitted to be used for damage or activities covered under existing insurance policies or other state or Commonwealth grants.

4. ELIGIBILITY CRITERIA

- 4.1 To be eligible for the grant, the applicant must:
- a. be a wine grape producer (see definition at [section 9](#));
 - b. hold an Australian Business Number (ABN) and have held that ABN at the time of the eligible disaster;
 - c. be located in New South Wales, the Australian Capital Territory, Victoria or South Australia;
 - d. be located outside of the Local Government Areas eligible for the Emergency Bushfire Response in Primary Industries (EBRPI) grant or the Small Business Bushfire Support grant;
 - e. have had the 2020 vintage of wine grape harvest tainted by smoke from the 2019-20 bushfires and be able to provide evidence to support that claim; and
 - f. have suffered a decline in revenue or grapes harvested of 40% or more in a relevant three-month period (compared to a relevant three-month period in the previous year) since 1 August 2019.
Note: In the case of revenue, applicants are not required to demonstrate that this was caused by bushfire or smoke taint.
- 4.2 Applicants will not be eligible for a grant, or part of a grant, if:
- a. the applicant has received, or has been approved to receive, financial assistance for costs associated with the items set out under section 3 from another Australian Government assistance scheme. However, the applicant may be eligible for a grant for costs that are not covered by the other scheme; or

- b. the applicant is entitled to receive a payment under an insurance policy for costs directly associated with an item set out at 3, however the applicant may be eligible for a grant for costs that are not covered by their insurance, or for amounts in excess of the value insured; or
 - c. another party to the primary production enterprise, (e.g a party to the same business holding a separate ABN number), has already applied for a grant under this program.
- 4.3 Applicants who are eligible, have received or been approved to receive the following Australian Government funded grants will not be eligible for a grant under this program:
- a. Emergency Bushfire Response in Primary Industries Grant
 - b. Small Business Bushfire Support Grant
- 4.4 Applicants who are eligible, have received or been approved to receive the following NSW Government funded grant may still be eligible for a grant under this program:
- a. Supply Chain Support Grant - Viticulture

5. EVIDENCE OF IMPACT

- 5.1 Evidence provided in support of claims for grants must include:
- a. that they are a wine grape producer. This may include, but is not limited to, sales invoices or grape research levy return documents.
 - b. Smoke taint damage can be demonstrated to have occurred through a combination of smoke taint tests by an appropriately recognised laboratory, small-lot fermentation, or other documentary evidence.

More information about smoke taint tests, appropriate laboratories and assessing damage from smoke taint can be found at www.wineaustralia.com/fireandsmokeassessment.
 - c. Financial or harvest documents showing a decline in revenue or sales or grapes harvested of at least 40% in a relevant three-month period (compared to a relevant three-month period in the previous year) since 1 August 2019. Supporting evidence may include (but is not limited to) bank statements, business activity statements, operating statements from financial management information systems, levy returns. The applicant does not need to demonstrate that the loss of revenue or income is linked directly to bushfire or smoke taint.
 - d. location of the wine grape business. This may include, but is not limited to, for example rates notice or lease agreement and also that the business meets the small business criteria FTE (e.g. payroll reports) and business turnover.
- 5.2 Applicants will certify in writing, or to an official in the administering agency, that they meet the eligibility criteria. Supporting documentation may be submitted along with the application, however where evidence is not readily available the application may still be considered.
- 5.3 Applications are subject to audits. [See Terms and Conditions](#).
- 5.4 Applicants will not be required to prove the decline in revenue is related to the bushfires; the Australian Government acknowledges the impossibility of separating the cumulative effects of the bushfires and COVID-19.

6. EXCEPTIONAL CIRCUMSTANCES

6.1 Applicants may be assessed for exceptional circumstances eligibility where they do not explicitly meet the eligibility criteria outlined at section 5.1 but have been significantly impacted by the eligible disaster. Exceptional circumstances eligibility can be assessed by the [administering state agency]. The NBRA will moderate these exceptional circumstance approvals across states to ensure national consistency.

7. ELIGIBLE SEPARATE BUSINESSES

7.1 Applicants who operate more than one wine grape production business under a single ABN may apply for assistance for each eligible separate business for the impact of smoke taint for the declared period.

7.2 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.

8. TERMS AND CONDITIONS

8.1 Successful applicants will be required to:

- a. provide any additional information required by [the relevant state agency] to assess an application, including assessment of losses arising from the disaster event; and
- b. agree to subsequent audits under the scheme including permission for on-farm access to confirm that grant and co-contribution funding provided have been expended on approved purposes.

8.2 Applicants must retain all tax invoices, official receipts, bank statements, quotations or other similar records for assistance received under the scheme until 5 years after the closing day for applications for the eligible disaster.

8.3 Goods or services being funded under the scheme should be purchased from properly accredited or qualified suppliers or contractors.

8.4 Applicants must consent to the Commonwealth or administering agency conducting an audit of documentation used to support an application to verify information provided.

8.5 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.

9. DEFINITIONS

Administering Agency means the responsible agency/department/body for assessing and/or administering the *smoke taint grant* applications.

Disaster period means 31 August 2019 onwards.

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 and/or smoke.

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

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).

Wine grape producer means, an individual or organisation that:

- a. holds an Australian Business Number (ABN); and
- b. is the first owner of wine grapes immediately after harvest and immediately before delivery to a processing establishment, or the person who grows the wine grapes and is the proprietor of the processing establishment; and/or
- c. is a Grape Research Levy payer.

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