

BULLETIN

Industry Divisions



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Dear Member

Please be aware the Victorian Government announced on 1 May, that it will be expanding the small business support fund to include businesses with a payroll tax threshold of less than \$650,000, has an annual turnover of more than \$75,000 and who are participating in the Commonwealth JobKeeper program. Your businesses name is also required to be registered with Australian Securities and Investments Commission (ASIC). This means that any automotive business that fits this criterion is now eligible for the \$10,000 government grant.

VACC congratulates the Victorian Government on this decision however is disappointed that recommendations submitted to government for larger automotive businesses above the payroll threshold be eligible for the grant have been ignored.

The fund is aimed at small business that may not be eligible for the 2019-20 refunds and waving of payroll tax which applies to businesses with a payroll of \$650,000 or above. Businesses with a wage bill between \$650,000 and \$3 million will have their payroll tax refunded and waived for the 2019-20 financial year under the Victorian Governments \$1.7 billion economic survival package.

With cashflow a major issue for small businesses, this \$10,000 cash injection provides much needed short-term relief and can be used to pay for outstanding invoices or for meeting any other businesses related expenses including utilities, salaries or rent. It can also be used for seeking financial, legal or other advice to support your business continuity planning.

Members who had previously applied and were told they were not eligible for the payment because of their ABN sector classification will be contacted by the Department of Jobs, Precincts and Regions and do not have to submit a new application. Feedback received from VACC members regarding non eligibility prompted VACC CEO, Mr Gwilym to write to Martin Pakula MP seeking immediate assistance for automotive businesses that were highly impacted by COVID-19 shutdown restrictions.

A copy of the letter can be found [HERE](#).

Businesses who have not previously applied for the grant due to their sector classification should do so immediately before the \$500 million Businesses Support Fund is exhausted. To make an application, visit business.vic.gov.au. Please note, applications will close on Monday, 1 June 2020.

John Khoury
Industry Divisions & Policy Advisor
ARD, AED, ERRD, GD, SVA, Auto Trans, ATRA, LVT
VACC
Level 7 | 464 St Kilda Road | Melbourne Vic 3004
P: 03 9829 1153 | **M:** 0412 510 108 | **W:** vacc.com.au