

Small Business COVID-19 Adaption Grant Program – Round 2

Frequently Asked Questions

This information sheet contains key information relating to the Small Business COVID-19 Adaptation Grant Program – Round 2, however it should be read in conjunction with the program guidelines and terms and conditions before completing an application.

General

1. Why has the Queensland Government launched this grant program?

The Small Business COVID-19 Adaption Grant forms part of the Queensland Government's *Workers Assistance Package*, which aims to assist employees and businesses who have lost their jobs or incomes as a result of the COVID-19 pandemic.

The grant program aims to support Queensland small businesses that fall below the payroll tax threshold of \$1.3 million annually, and who have been forced into hibernation, or have experienced a significant structural adjustment or forced pivoting of their business operations due to the pandemic.

2. Why are applications only open to businesses with an annual payroll bill of less than \$1.3 million a year?

The grant is aimed at supporting small and micro businesses that employ Queenslanders and who may not be eligible for the Queensland Government's 2019–20 refunds and waiving of payroll tax, which applies to businesses with wages bills of \$1.3 million or above.

3. Why are applications only open to businesses with an annual turnover of more than \$75,000?

The grant is aimed at supporting small and micro businesses that employ Queenslanders.

An annual turnover of \$75,000 is also the threshold for when the Australian Taxation Office requires a business to register for GST, another requirement of the program.

If your business is not eligible for this funding you may still be eligible for other support in the [Queensland Government's COVID-19 response package](#).

Eligibility

4. If I have more than one small business with a different ABN for each, can I submit an application for each business?

No. Only one application will be accepted from a financial beneficiary of a business. The applicant must not be a financial beneficiary of any other successful Small Business COVID-19 Adaption Grant application. You make a declaration in the application form stating the above.

5. Do I have to be operating an existing business to be eligible to apply?

Yes. Your application must be for an existing operating business.

6. Can I apply if I am a non-employing business/Sole Trader?

No. You must employ at least one other person and meet all of the eligibility criteria.

7. Do I have to be located in Queensland?

Yes. The business must have a Queensland headquarters. To demonstrate this, the 'Main Business Location' of the applicant's ABN must be listed as being in Queensland on the [Australian Business Register](#) (ABR) at the time of application. If the ABR listing for the applying business does not list Queensland as the main business location, you must provide evidence of a Queensland headquarters in writing to adapt@desbt.qld.gov.au prior to the grant round closing. Evidence of a Queensland Headquarters includes:

- a copy of the applicant's Australian Securities and Investments Commission (ASIC) Company Statement listing a Queensland address as 'principal place of business'
- or
- a letter from the applicant's accountant confirming the business has changed to a Queensland main business location.

8. Do I need to be registered for GST?

Yes. The business must be registered for GST at the time of application to be eligible for funding under this program. All businesses that have an annual turnover of \$75,000 or greater are required to register for GST.

If your business is not registered for GST visit www.ato.gov.au/Business/GST/Registering-for-GST to find out more. The Queensland Government recommends you seek independent professional advice before registering for GST.

9. Will I be reimbursed for GST spent?

No. Grants are not subject to the GST. Therefore, GST is not payable and grant funding will not compensate for any GST spent by the business. The grant amount is GST exclusive.

10. What evidence do I need to provide to prove my business has an annual turnover of more than \$75,000?

Your application must include a Business Activity Statement (BAS), tax return or dated accountant letter on letterhead, to demonstrate that your business has an annual turnover of more than \$75,000. Accountant letters must be from members of CPA Australia, Chartered Accountants Australia & New Zealand or the Institute of Public Accountants.

Round 1 applicants/interested applicants

11. I applied for a Round 1 grant and my application was unsuccessful. Can I apply for a Round 2 grant?

Yes. You will, however, need to review the Round 2 guidelines and submit a new application through the online link that will be made available at www.business.qld.gov.au/starting-business/advice-support/grants/adaption.

12. I applied for a Round 1 grant and am awaiting advice on the outcome. Can I apply for a Round 2 grant?

Yes. Applicants under Round 1 who have not yet had their applications assessed are able to apply under Round 2. It is, however, important to note that only one grant – specifically, the first grant application that is reviewed and approved – would be awarded to an individual ABN or financial beneficiary of a business.

13. I started a Round 1 grant application but couldn't lodge it in time. Can I access my draft submission, finalise the details and submit it for Round 2?

No. You will need to start a new application. To assist, the guidelines for Round 2 grants have been released in advance of the Wednesday 1 July 2020 application opening date. We urge all interested applicants to utilise this lead time to start preparing their application and collate the supporting documentation ahead of the grants opening.

Applications

14. How do I lodge my application?

All applications must be submitted through the online platform that will be available via www.business.qld.gov.au/starting-business/advice-support/grants/adaption once applications for Round 2 open on Wednesday 1 July 2020.

15. Can I alter my application after funding has been allocated?

If you are unable to complete the approved project, or purchase the approved product or service, you must immediately notify the Queensland Government in writing. Any change to your project will need to be reassessed to ensure funding will still be granted. If you change your project or purchase without approval, the Queensland Government can withdraw the funding.

16. Can I submit my application before I have gathered all my evidence to hold my place in line?

No. You must submit a completed application, which includes all supporting evidence as requested in the application form, in order to be considered for the grant.

17. Can a supplier apply for the grant on my behalf with my permission?

No. The person submitting the application form must be the business applying for the grant.

18. How will my application be assessed?

Pages 5 and 6 of the program guidelines outline how your application will be assessed.

Approvals

19. What do I need to do if I receive a grant?

You must:

- enter into a funding agreement with the Queensland Government
- purchase the product/s or service/s in full as per the funding agreement
- deliver the project as per the funding agreement
- complete a final acquittal within the project completion date
- complete a follow-up survey six months after the Program has finished.

20. When will funding be available and how will payments be made?

If your application is successful, the funding will be provided directly to the applicant. To fully acquit your grant, you will be required to submit an acquittal report that includes receipts.

21. What are my tax obligations?

Grants are treated as assessable income for tax purposes, unless exempted by law. The Queensland Government recommends you seek independent professional advice on your tax obligations.

Further information

For more information about the grant you can visit www.business.qld.gov.au/adaption-grant or for advice on your application, call the Small Business Hotline on 1300 654 687 or email adapt@desbt.qld.gov.au

Small and micro businesses may request a review of a decision made by the Queensland Government in relation to the provision of funding or a declined application under the Small Business COVID-19 Adaption Grant program.

Small and micro businesses will be notified in writing of the appeal outcomes within 30 business days from receipt of the appeal.

Additional information for businesses

www.business.qld.gov.au has information on starting and developing businesses.

www.business.gov.au is an online government resource for the Australian business community provided by the Australian Government.

To find answers to your tax questions, go to www.ato.gov.au.

ablis.business.gov.au/ has information on government licences, permits, approvals, registrations, codes of practice, standards and guidelines you need to know about to meet your compliance responsibilities.