

COVID-19 International Tourism Adaptation Grant Program Frequently Asked Questions

General

Why has the Queensland Government launched this grant program?

Queensland's tourism and events industry has been considerably impacted by the COVID-19 pandemic.

The COVID-19 International Tourism Adaptation Grant Program is part of the Queensland Government's tourism and events response package to extend relief measures, provide business support programs and grants, and deliver a North Queensland tourism and events recovery package.

The Tourism Industry Economic Recovery package will deliver immediate benefits and provide cash flow relief to help tourism and events businesses to survive and revive.

This grant supports regional businesses that have suffered losses of income because of international travel restrictions due to the COVID-19 pandemic. The program offers grants of up to \$10,000 per applicant to support micro, small to medium tourism businesses, to pivot to a domestic market or hibernate following a loss of income due to international travel restrictions.

This complements the existing \$72 million in direct investment for the tourism and events industry under Queensland's Economic Recovery Strategy – Unite and Recover for Queensland jobs.

Applying

Who can apply?

Tourism businesses in regional Queensland that can demonstrate they have suffered losses of income because of the international travel restrictions as a result of COVID-19.

The business headquarters must be located in Queensland and primarily operate outside of the Brisbane City Council, Redlands City Council, Logan City Council, Ipswich City Council and Moreton Bay Regional Council boundaries.

How do I apply?

The COVID-19 International Tourism Adaptation Grant Program (ITAG) is an online application process and will be available from Friday 2 October 2020.

The Queensland Rural and Industry Development Authority (QRIDA) will be administering the ITAG program on behalf of the Department of State Development, Tourism and Innovation (DSDTI). The guidelines, frequently asked questions (FAQ) and a link to QRIDA's portal user account site, will be available on DSDTI's website at www.dsdti.qld.gov.au.

If you don't already have a QRIDA portal user account, you can create an account or update your details prior to applications opening. Please note creating a user account in the QRIDA portal is not an application or expression of interest for the ITAG program.

In preparation for applications opening, please familiarise yourself with the ITAG program guidelines. Tourism businesses can create an account on the QRIDA website in preparation for the opening of the ITAG program and start to put together the information and documentation required to speed up the application process.

From 2 October 2020, QRIDA's application portal will open to applications for the COVID-19 International Tourism Adaptation Grant Program.

What is the closing date for applying?

The program will remain open until the program is fully subscribed and funds are expended. Applications will be processed on a first come, first serve basis, and therefore not all applications will be successful.

Can I amend my application after submission?

No, but you must advise QRIDA of any changes that are likely to affect your eligibility. This advice can be provided after submission via the 'Upload additional documentation' option in the portal associated with the application or via email to contact_us@qrída.qld.gov.au quoting your application number.

Can I submit more than one application?

No. Multiple applications will not be accepted from one applicant organisation. Where two or more businesses have directors and/or shareholders in common, only one application will be accepted. Therefore, you can not apply multiple times under different business names.

Can my business advisor apply for the grant on my behalf with my permission?

Yes. Your business advisor or another party may submit an application with your consent. To provide this consent download an Applicant Consent Form available in the QRIDA application portal at <https://applyonline.qrída.qld.gov.au/login>, complete and provide to the party submitting the application for uploading with your application.

When will I find out if my application is successful?

All applicants will receive formal notification of the outcome of the application at the earliest possible time. However, please note that this stage involves a detailed assessment and due diligence process. Successful applicants will receive an approval letter confirming the terms and conditions of funding.

After approval, successful applicants will receive 100 per cent of the eligible funding amount approved as an up-front payment.

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.

What happens to the information I supplied in my application?

QRIDA's Privacy Policy, available at www.qrida.qld.gov.au/privacy, sets out general information on how QRIDA collects, uses, and discloses individuals' personal information.

The application form for this program contains specific information on how personal information will be collected, used, and disclosed.

Applicants should note that broad details of successful proposals, agreed outcomes, progress and the level of funding awarded may be published by the Queensland Government. Some information may be used to promote funded activities.

Personal information will not be disclosed to any other third party without consent, unless required by law or for the purposes of *Information Privacy Act 2009*. The provisions of the *Right to Information Act 2009* apply to documents in the possession of the Queensland Government.

Eligibility

What is an eligible, internationally focussed tourism business?

For a business to be considered an eligible internationally focussed tourism business to receive funding under the ITAG program, it must meet all of the following criteria:

- have an established operating base in regional Queensland with an international tourism-related focus, with satisfactory evidence provided such as bookings from international travel agencies, historical (prior to 1 February 2020) business information on social media accounts, marketing material/campaigns, relationships with international trade partners etc.
- have a valid Australian Business Number active as at 1 February 2020
- be registered for GST
- headquarters be located in Queensland and primarily operate outside of the Brisbane City Council, Redlands City Council, Logan City Council, Ipswich City Council and Moreton Bay Regional Council boundaries
- have suffered losses of income because of international travel restrictions and border closures due to COVID-19. A short narrative of the impact on the business with supporting information will be required.
- have fewer than 200 full time equivalent employees as at 1 February 2020.
- have an annual turnover of more than \$75,000 for the 2018/19 or 2019/20 financial year, or for recently commenced businesses that hadn't worked for the full financial year, be able to provide financial records to show that a proportionate amount of the annual turnover was met for the period of the financial year they operated.
- not be insolvent or have owners or directors that are an undischarged bankrupt.

Note: the definition of a tourism business is in the definitions section of this FAQ.

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

The grant is aimed at supporting micro, small and medium size businesses. An annual turnover of \$75,000 is 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](#).

If I have more than one business with a different ABN for each, can I receive assistance for each business?

No. Only one application can be approved for a financial beneficiary of a business.

Can I apply if I have received other Queensland Government Grants?

The applicant must also make a declaration in the application if they are the financial beneficiary of any other Queensland Government funding.

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

Yes. Your application must be for an existing operating business with a valid Australian Business Number active as at 1 February 2020.

Can I apply if I am a Sole Trader?

Yes, provided you meet all of the eligibility criteria.

Does my business have to be located in Queensland?

Yes. The business must be headquartered in Queensland and primarily operate outside of the Brisbane City Council, Redlands City Council, Logan City Council, Ipswich City Council and Moreton Bay Regional Council boundaries.

To demonstrate this, the 'Main Business Location' of the applicant's ABN must be listed as being in Queensland (outside of Greater Brisbane) on the Australian Business Register (ABR) at the time of application at www.abr.gov.au.

If the ABR listing for the applying business does not list a Queensland address as the main business location, you must provide evidence of Queensland operation as part of your application. Evidence of a regional Queensland operation may include:

- 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 operates from a regional Queensland location.

Do I need to be registered for GST?

Yes. The business must be registered for GST as at 1 February 2020 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.

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 exempt.

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.

What type of business or organisation is ineligible to receive ITAG funding?

A business approved to receive or already received up to \$10,000 through the Small Business Adaption Grant from the Queensland Government is deemed to be ineligible to receive ITAG program funding.

Regional and local tourism organisations, and non-profit organisations are deemed ineligible to receive ITAG program funding.

Definitions

Domestic tourism market

Intrastate and interstate visitor segments that a business may wish to target.

International visitor

People visiting Australia from another country for business or leisure.

Loss of Income

Ability to demonstrate a tourism-related business has experienced a loss of income since 1 February 2020 as a result of travel restrictions and Australia's borders being closed to international visitors.

Small Business Adaption Grant

The grant supports small businesses subject to closure or highly impacted by COVID-19 shutdown restrictions announced by the Queensland Government, to adapt and sustain their operations, and build resilience - <https://www.business.qld.gov.au/starting-business/advice-support/grants/adaption>.

A tourism business

A business primarily providing goods and services to or for which the primary / majority target market is domestic or international visitors to Queensland.

This may include:

- Accommodation providers (ANZSIC code 4400)
- Food and beverage services including cafes, restaurants, taverns and clubs (ANZSIC codes 4511, 4513, 4520, 4530)

- Road and water transport, including sightseeing (ANZSIC codes 4623, 4820, 5010)
- Rental and hiring services (ANZSIC code 6611)
- Travel agencies (ANZSIC code 7220)
- Heritage activities including museums, parks and gardens (ANZSIC codes 8910, 8921, 8922)
- Performing Arts Venues (ANZSIC code 9003)
- Amusement and Other Recreational Services (ANZSIC codes 9131, 9139).

Funding

How much funding is available?

A total funding pool of \$5 million (excluding GST) is available for regional tourism businesses that have suffered losses of income because of the international travel restrictions as a result of COVID-19. Eligible expenditure incurred from the date you have been advised of awarding of the grant can be claimed. Any expenditure incurred prior to notification of the grant cannot be claimed.

Grants from a minimum of \$2,000 (GST exempt) to a maximum of \$10,000 (GST exempt) are available.

What can the ITAG funding be spent on?

The funding can be used to assist international focussed tourism businesses to:

- pivot their product, service and/or marketing to a domestic tourism market
- meet operating costs while the business hibernates until international markets reopen

The following activities are examples of how the funding can be spent:

- tourism experience design and development activities including training, which are aimed at enabling the business to respond to a new market (e.g. from an international to a domestic tourism market)
- pivoting of the tourism business focus from the international market to the domestic tourism market including tourism marketing and promotional activities, tourism trade engagement and retail partnerships
- contribute towards operational costs to hibernate the tourism business while Australia's borders are closed to international visitors.

What can the ITAG funding not be spent on?

The following activities are examples of how the funding cannot be spent:

- an activity for which the applicant has received, or has been approved to receive, financial assistance or is otherwise supported by other Queensland and Australian Government financial assistance measures
- services delivered in-kind (grant funding will only cover services paid for via a financial transaction)
- purchase of business assets, such as stock or fleet vehicles/machinery
- fees for services and/or goods provided by related parties (such as companies with common shareholdings or directorship with the applicant, and employees or immediate family of the applicant)
- direct-selling businesses (where sales of another business' goods or services are made in the customer's home, work or other meeting place through methods such as party plan and network marketing)
- goods or services purchased, or any payments made, prior to 1 February 2020.

Do I need to contribute towards the funding?

No. Given the major impact COVID-19 has had on tourism business, a matched funding contribution under the ITAG program is not required.

How quickly do I need to spend the funding?

Approved applicants will have six months to spend the funding after receiving approval.

How is ITAG funding paid?

After approval, successful applicants will receive 100 per cent of the eligible funding amount approved as an up-front payment to the nominated bank account in the name of applicant/entity.

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.

Do I need to complete an acquittal to show how the grant funding has been spent?

No. However, successful applicants will need to retain documentation for grant audit purposes. During the life of this grant program, the Queensland Government may conduct 'spot audits' of approved applicants' grant funding documentation.

Assessment

How will my application be assessed?

Your application will be assessed against the following criteria:

- funding availability. Applications will be processed on a first come, first serve basis. This means that not all applications will be successful
- submission of a complete application form, with all requested supporting documentation included
- value for money, as determined by the Queensland Government.

All applications will be reviewed against the eligibility criteria to determine compliant applications.

What type of supporting information should I include with my application?

You should include all relevant supporting information that demonstrates your business has suffered losses of income because of the international travel restrictions as a result of COVID-19. This evidence could include:

- cancelled bookings, historical (prior to 1 February 2020) business information on social media accounts, international marketing material/campaigns, engagement with international trade partners
- activity to pivot the business or develop new domestic products and experiences (e.g. marketing material, domestic promotional costs)
- other costs required to hibernate business or develop the experience
- a statement describing how the funding will contribute to the business pivoting its product, service and/or marketing to a domestic market, or meet operating costs while the business hibernates until international markets reopen

- evidence to demonstrate that business has been highly impacted. For example, Business Activity Statements, dated accountant letter on letterhead from a member of CPA Australia, Chartered Accountants Australia & New Zealand or the Institute of Public Accountants
- declaration of employee head count
- evidence of annual turnover
- evidence of annual payroll.

Note: You will also need to detail other Queensland Government grants and support provided to the business, including grants received by related enterprises.

Audit

Do I need to retain documentation?

Yes, successful applicants will need to retain documentation for grant audit purposes. Note the Queensland Government, during the life of this grant Program, may conduct 'spot audits' of approved applicants' grant funding documentation.

Businesses may be surveyed six months after the completion of the program.

The administration of this Grant program allows the Queensland Government to validate and check the authenticity of applications and the applicant's details at any time. Applicants who are awarded the grant must refund the grant to the Queensland Government if the grant is subsequently found to be based on an invalid application.

Other Information

Who do I contact for information about my application?

For general advice about the ITAG program, please contact the COVID-19 Hotline on 13 42 68 or email tourismresponse@ditid.qld.gov.au.

Am I able to appeal a decision?

Applicants may request a review of a decision made by QRIDA in relation to the provision of funding or a declined application under the Program. Requests for appeal must be received by QRIDA within 20 business days after receipt of a decision advice. Applicants will be notified in writing of appeal outcomes within 30 business days from receipt of the appeal.

The Program is referenced as the scheme described in the *Rural and Regional Adjustment Regulation 2011*.

Additional information for businesses

www.business.qld.gov.au has information on starting and development 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, visit www.ato.gov.au.

www.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.