



Queensland

# Rural and Regional Adjustment Amendment Regulation (No. 1) 2020

## Subordinate Legislation 2020 No. 120

made under the

*Rural and Regional Adjustment Act 1994*

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**1 Short title**

This regulation may be cited as the *Rural and Regional Adjustment Amendment Regulation (No. 1) 2020*.

**2 Commencement**

This regulation commences on 1 July 2020.

**3 Regulation amended**

This regulation amends the *Rural and Regional Adjustment Regulation 2011*.

**4 Amendment of s 3 (Approval of schemes—Act, s 11)**

Section 3(1), ‘26’—

*omit, insert—*

27

**5 Insertion of new sch 27**

After schedule 26—

*insert—*

**Schedule 27 COVID-19 Small  
Business Adaption  
Grant Scheme—Round  
2**

section 3(1)

**Part 1**

**Preliminary**

## 1 Objective of scheme

The objective of the scheme is to help small businesses seriously disrupted by a closure or restrictions direction to sustain, adapt or develop the resilience of, their operations.

## 2 Purpose of assistance

The purpose of assistance under the scheme is to provide grants to owners of eligible businesses to—

- (a) help with meeting expenses associated with carrying out eligible activities; or
- (b) reimburse the owners, in whole or in part, for expenses incurred in carrying out eligible activities.

*Note—*

See also section 4(2)(a).

## 3 Definitions for schedule

In this schedule—

***applicant*** means a person applying for assistance under the scheme.

***closure or restrictions direction*** means—

- (a) the public health direction called ‘Non-essential Business Closure Direction’, made on 23 March 2020 and revoked on 25 March 2020; or
- (b) a public health direction called ‘Non-essential business, activity and undertaking closure direction’; or

*Examples—*

- the Non-essential Business, Activity and Undertaking Closure Direction, made on 25 March 2020 and revoked on 26 March 2020

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- the Non-essential Business, Activity and Undertaking Closure Direction (No. 5), made on 9 April 2020 and revoked on 21 April 2020
  - the Non-essential Business, Activity and Undertaking Closure Direction (No. 10), made on 14 May 2020 and revoked on 1 June 2020
- (c) the public health direction called ‘Restrictions on Businesses, Activities and Undertakings Direction’, made on 1 June 2020 and revoked on 15 June 2020; or
- (d) the public health direction called ‘Restrictions on Businesses, Activities and Undertakings Direction (No. 2)’, made on 15 June 2020.

***eligible activity*** see section 4.

***eligible business*** see section 6.

***employee***, of a business, see section 5.

***owner***, of an eligible business, means—

- (a) a sole trader who spends labour on, and derives income from, the business; or
- (b) in relation to a partnership, company or trust that carries on the business—the partners in the partnership, shareholders in the company or beneficiaries of the trust who spend labour on, and derive income from, the business.

***public health direction*** see the *Public Health Act 2005*, section 362B(1).

***scheme*** means the scheme set out in this schedule.

***wages*** see the *Industrial Relations Act 2016*, schedule 5.

#### 4 Meaning of *eligible activity*

(1) An *eligible activity*, in relation to an eligible business, is any of the following—

(a) obtaining either of the following in relation to the sustainability or diversification of the business—

(i) financial, legal or other professional advice;

(ii) strategic planning, financial counselling or business coaching;

(b) conducting a marketing or communication activity;

*Example of a marketing or communication activity—*  
developing a web page, an app or other media

(c) developing a digital or technological strategy, or buying specialised digital equipment or business-specific software, for the purpose of conducting the business's operations online;

(d) conducting training in relation to adapting to a new business model;

(e) paying a capital expense resulting from the business's compliance with a closure or restrictions direction;

*Examples of a capital expense resulting from the business's compliance with a closure or restrictions direction—*

- an expense associated with installing screening equipment for contactless transactions
- an expense associated with installing counter-fronts designed to ensure social distancing

(f) paying other operational expenses.

*Examples of other operational expenses—*

utility expenses, rates, rent, telecommunications expenses, insurance premiums, licensing or franchise fees

(2) However, none of the following is an **eligible activity** in relation to an eligible business—

- (a) an activity mentioned in subsection (1), to the extent the activity was carried out before 23 March 2020;
- (b) paying wages, superannuation or a workers' compensation expense for the business;
- (c) buying a business asset, other than as part of an activity mentioned in subsection (1)(c) or (e), for the business;

*Examples of a business asset for paragraph (c)—*

stock, fleet vehicles, machinery

- (d) paying for a good or service provided to the business by—
  - (i) a related entity of an owner of the business; or
  - (ii) a spouse, child, stepchild, parent, step-parent, brother, sister, stepbrother, stepsister, grandparent or legal guardian of an employee of the business;
- (e) paying for a service provided to the business for which payment has been, or is required to be, made in kind;
- (f) direct selling.

(3) In this section—

**direct selling** means selling a thing from a location other than retail premises.

**related entity**, of an owner of an eligible business, means—

- 
- (a) a company of which the owner is a director or shareholder; or
  - (b) a director or shareholder of a company of which the owner, or a company of which the owner is a director or shareholder, is also a director or shareholder; or
  - (c) an employee of the business; or
  - (d) a spouse, child, stepchild, parent, step-parent, brother, sister, stepbrother, stepsister, grandparent or legal guardian of the owner of the business.

***workers' compensation expense***, for an eligible business, means an expense associated with an obligation of the business, or an owner of the business, under the *Workers' Compensation and Rehabilitation Act 2003*.

## **5 Meaning of *employee* of a business**

- (1) An individual who is employed, or usually employed, by the business, is an ***employee*** of the business.
- (2) To remove any doubt, it is declared that neither of the following is an ***employee*** of a business—
  - (a) an owner of the business;
  - (b) a person who performs work under a contract for services with the business, including, for example, a subcontractor.

## **6 Meaning of *eligible business***

- (1) A business is an ***eligible business*** if—
  - (a) an entity—
    - (i) holds an Australian Business Number for the business; and

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- (ii) has continuously held the same Australian Business Number for the business since 23 March 2020; and
  - (b) the business is, and has since 23 March 2020 been, registered for GST; and
  - (c) the business has its headquarters in Queensland; and
  - (d) the business has at least 1, but not more than 19, employees; and
  - (e) either—
    - (i) the annual turnover of the business for the 2018–2019 financial year or the 2019–2020 financial year was more than \$75,000; or
    - (ii) both of the following apply—
      - (A) the business has been operating for a period of less than 1 financial year;
      - (B) according to its financial records, the turnover of the business for the period was more than the proportion of \$75,000 per financial year attributable to the period; and
- Example for sub-subparagraph (B)—*
- A business has been operating for 100 days. The turnover of the business, according to its financial records, for the 100-day period must be more than \$20,547.95.
- (f) the total of the wages and superannuation paid by the business to its employees during the 2018–2019 financial year or the 2019–2020 financial year was less than \$1.3m; and



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- (g) neither an owner, nor a director or shareholder of an owner, of the business is an insolvent under administration.
  - (2) In this section—  
*insolvent under administration* see the Corporations Act, section 9.

## **Part 2                    General provisions of scheme**

### **7    Nature and amount of assistance**

- (1) The nature of the assistance available to an applicant under the scheme is a grant of financial assistance for an eligible activity carried out, or to be carried out, for an eligible business.
- (2) The maximum amount of assistance payable under the scheme is \$10,000.

### **8    Eligibility criteria**

- (1) For an applicant to be eligible to receive assistance under the scheme, the applicant must—
  - (a) be an owner of an eligible business; and
  - (b) be applying for assistance in relation to an eligible activity carried out, or to be carried out, for the eligible business; and
  - (c) demonstrate to the satisfaction of the authority that—
    - (i) the eligible business stopped operating for a period because of, or was otherwise seriously disrupted by, a closure or restrictions direction; and
    - (ii) the revenue of the eligible business has, for at least 1 month starting on or after

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23 March 2020, reduced by at least 30% because of the COVID-19 emergency; and

(iii) the eligible activity will assist in sustaining, adapting, or developing the resilience of, the operations of the eligible business; and

(iv) the claimed cost of the eligible activity—

(A) is at least \$2,000; and

(B) represents reasonable value for money.

(2) However, an applicant is not eligible to receive assistance under the scheme—

(a) in relation to an eligible business for which the applicant or any other person has received—

(i) assistance under the scheme; or

(ii) financial assistance under the program known as the ‘Small Business COVID-19 Adaption Grant Program’ administered by the department in which the *Further Education and Training Act 2014* is administered; or

*Editor’s note—*

Details of the Small Business COVID-19 Adaption Grant Program are available on the Department of Employment, Small Business and Training’s website.

(b) for an eligible activity for which the applicant has received financial assistance from the Commonwealth government or the government of the State.

(3) In this section—

**COVID-19 emergency** see the *COVID-19*

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*Emergency Response Act 2020*, schedule 1.

## **9 Requirements for applications**

- (1) An application for assistance under the scheme must be—
  - (a) made on the authority’s application form; and
  - (b) accompanied by the documents stated in the application form; and
  - (c) given to the authority.
- (2) If the authority asks the applicant to provide further information to decide the application, the applicant must provide the information.

## **10 Deciding applications**

- (1) The authority must consider, and decide to approve or refuse to approve, each application for assistance under the scheme that complies with section 9(1).
- (2) The authority must consider applications in the order they are received by the authority.
- (3) The authority must refuse an application for assistance relating to an eligible SEQ business to the extent the proportion of the authority’s scheme funds allocated for owners of eligible SEQ businesses are not enough to pay for the assistance.
- (4) Also, the authority must refuse an application for assistance relating to an eligible regional business to the extent the proportion of the authority’s scheme funds allocated for owners of eligible regional businesses are not enough to pay for the assistance.
- (5) In this section—

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***eligible regional business*** means an eligible business that is not an eligible SEQ business.

***eligible SEQ business*** means an eligible business whose principal place of business is located within—

- (a) the boundaries of Brisbane as described by regulation under the *City of Brisbane Act 2010*, section 7(4); or

*Note—*

See also the *City of Brisbane Regulation 2012*, section 3.

- (b) the Gold Coast, Ipswich, Lockyer Valley, Logan, Moreton Bay, Noosa, Redlands, Scenic Rim, Somerset, Sunshine Coast or Toowoomba local government area.

***scheme funds***, of the authority, means the authority's assistance funds for the scheme.

## **11 Conditions of assistance**

- (1) Payment of assistance under the scheme to an applicant is subject to the conditions stated in this section.
- (2) The full amount of assistance given for an eligible activity must be used—
  - (a) if the eligible activity is completed before the assistance is approved—for reimbursing the applicant, in whole or in part, for an expense incurred to complete the activity; or
  - (b) otherwise—for completing the activity.
- (3) The applicant must—
  - (a) until 4 years after the assistance is approved, keep the following records in relation to each eligible activity for which the assistance is given—

- (i) all tax invoices, official receipts, bank statements or other similar records of amounts paid;
  - (ii) all quotations or other similar records of amounts claimed; and
- (b) consent to the authority conducting an audit of the records mentioned in paragraph (a) to allow the authority to verify that assistance given to the applicant under the scheme has been used in accordance with the application for assistance.

ENDNOTES

- 1 Made by the Governor in Council on 1 July 2020.
- 2 Notified on the Queensland legislation website on 1 July 2020.
- 3 The administering agency is the Department of Agriculture and Fisheries.

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