



FACT SHEET

Accessing Government Assistance for Business

Why does the government provide assistance to the business sector?

There are a number of grants and concessions available to businesses, varying from financial forms such as grants, tax concessions, dollar for dollar funding, in-kind support and discounts, to non-financial forms such as mentoring and advocacy.

The government essentially provides these forms of assistance to achieve specific outcomes for regional or national benefit. In return for its investment in the business sector, the government expects employment generation, increased revenue, higher taxable receipts, value added opportunities and strong flow-on effects to the economy.

What government assistance options exist for businesses?

The most commonly referred forms of assistance relate to Research and Development, Commercialisation, Export, Business Growth, Climate Change and Regional Employment. Eligibility for these assistance options varies but generally can be divided into those with objective eligibility conditions and those with subjective (merit-based) eligibility conditions. Let's look at these in greater detail:

Research & Development

The **R & D Tax Incentive** focuses on providing financial assistance for businesses conducting core and supporting experimental activities in order to address a knowledge gap.

The assistance is provided in the form of a refundable tax offset, calculated using a percentage of actual costs incurred as follows:

- 150% tax deduction for companies (or groups) with turnover less than \$20m – resulting in 45c gain in terms of each eligible \$1 spent
- 133% tax deduction for companies (or groups) with turnover greater than \$20m – resulting in 40c gain in terms of each eligible \$1 spent

Costs eligible for the R & D tax offset include employee and management time, contractors, pilot plants, rent and other factory overheads, but specifically exclude patent costs.

For more information, visit:
www.ausindustry.gov.au

Commercialisation and Innovation

Commercialisation Australia was formulated to help build sustainable business from new intellectual property (IP). It is a merit based scheme offering funding and resources to accelerate the business building process. The forms of assistance available include:

- Skills and Knowledge: Up to \$50K to access specialist advice and services
- Experienced Executives: Up to \$350K to engage a CEO or senior executive
- Proof of Concept: \$50K to \$250K to prove commercial viability of new IP
- Early Stage Commercialisation: \$ for \$ funding from \$50K to \$2m to take a new product to market

For more information, visit:
www.commercialisationaustralia.gov.au

Australian Technology Showcase (ATS) fosters new and innovative technology companies with a turnover of less than \$10m. ATS is supported by the NSW and QLD governments and provides funding of up to \$20K for collateral support for seminars, networking and showcasing to local and international markets.

For more information, visit:
www.ats.business.gov.au

Tech Vouchers provides \$15K grants to SMEs to collaborate with a NSW public sector research organisation in order to access technical expertise or equipment. The NSW government funding pool is \$500,000.

For more information, visit:
www.business.nsw.gov.au/innovation-andresearch/grants-and-assistance/techvouchers

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Export

Export Market Development Grants (EMDG)

provides up to \$150K per annum to assist entities with a turnover of less than \$50m. Claimable export expenses include the cost of international patents and trademarks up to a value of \$50K per annum as well as travel, overseas representation, trade consultants and sample costs.

For more information, visit:

www.austrade.gov.au/exportgrants

Trade Start provides experienced professional assistance to SMEs to help open up and develop markets.

For more information, visit:

www.austrade.gov.au/About-TradeStart

EFIC Working Capital Guarantee provides a working capital security facility to profitable export enterprises that have over \$1m in export sales, but need additional funds (in excess of \$250K) for export working capital.

For more information, visit:

www.efic.gov.au

Innovate NSW is a NSW Government platform to enable technologies and to drive innovation and competitiveness. Program entitlements include:

- Minimum Viable Products – grants up to \$15K to demonstrate innovation amongst SMBs
- Collaborative Solutions – funding up to 25% of consortia projects up to \$100K

Duty drawbacks and tradex arrangements, are available for exporting entities to claim back a refund or seek an exemption on duty for imported components on goods which are later exported.

For more information visit:

www.customs.gov.au;

www.ausindustry.gov.au

Business Growth

Enterprise Connect provides assistance to selected industries as follows:

- Tailored Advisory Grants: up to \$20K on a \$ for \$ basis for the improvement of business systems and processes
- Researchers in Business Grant: up to \$50K on a \$ for \$ basis funding the salary costs of a researcher from a University

For more information, visit:

www.enterpriseconnect.gov.au

Support is available to the **Textile Clothing Footwear (TCF)** industry as follows:

- Small Business: Up to \$50K to support for TCF businesses with less than 20 employees for a project that improves the business enterprise culture. Year by year funding to 2016
- Large Business: Strategic capability dollar for dollar grants from \$250K to boost innovation and enterprise. Five year competitive grant program that runs to June 2015

For more information, visit:

www.ausindustry.gov.au

Media-Screen Australia provides a multitude of film, drama and documentary assistance including the 40% film producers offset, enterprise programs, events and travel grants.

For more information, visit:

www.screenaustralia.gov.au

A **payroll tax rebate** of up to \$4K per employee employed over a 2 year period is available under certain conditions.

For more information, visit:

www.osr.nsw.gov.au

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Apprenticeship Schemes provide an incentive of up to \$4K for Cert 111 apprentices.

The government's **Climate Change** initiative has provided for \$1bn to be set aside to help manufacturers improve energy efficiency and reduce pollution.

Projects include switching to less carbon intensive energy sources, installing new equipment, processes and facilities to reduce energy consumption and emissions.

Funding programs have commenced and include:

- Clean Technology Investment Program - \$800m, and
- Clean Technology Food and Foundries Investment Program - \$200m

Manufacturers with a turnover less than \$100m and projects under \$500K can receive dollar for dollar government contribution. For other projects under \$10m, the government contributes \$1 for every \$2 spent. Projects of \$10m or more will receive \$1 support for every \$3 spent.

For more information, visit:

www.ausindustry.gov.au/programs/CleanTechnology

Non-financial forms of government assistance

In addition to the financial forms of assistance on offer, the government has established a number of bodies that provide non-financial support. These include:

- Business and Trade Councils
- NSW Business Chamber
- NSW Government Trade and Investment Department
- NSW Government Export Labs
- Universities & researchers

What Next?

If you are in business and would like to know more about government assistance options, contact your manager or partner at Enspira Financial to discuss.

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