

STAGE 1 – ACT GOVERNMENT ECONOMIC SUPPORT PACKAGE - FACTSHEET

Supporting households – taxation and fee relief

The Government will take a range of actions to reduce pressure on household budgets, including:

- Applying a \$150 rebate to the fixed charge component of all residential rates bills in 2020-21 supporting around 165,000 residential properties (**\$25.5 million**)
- Freezing the Fire and Emergency Services Levy at its 2019-20 level for all residential properties (**\$2.2 million in 2020-21, \$9.2 million over 4 years for residential and commercial**)
- Freezing all 2020-21 vehicle registration, parking and public transport fees at 2019-20 levels (**\$5 million 2020-21, \$21.7 million over 4 years**)
- Providing a \$200 rebate to approximately 35,000 households receiving the Utilities Concession, through their electricity bill (**\$7 million**)

Supporting businesses and commercial property owners – taxation and fee relief

The Government will take a range of actions to reduce cost pressures on businesses, including:

*Rebating the 2019-20 commercial rates fixed charge for commercial properties with an Average Unimproved Value of less than \$2 million (**\$16.2 million**)*

- Over 6,400 Commercial rate payers will receive a credit of \$2,622 (equivalent to the annual fixed charge) to their 2019-20 general rates, in quarter four of this financial year. This will be applied automatically.
- Where rate payers have paid in full or have a quarter bill less than the credit, they will receive a refund. Businesses will need to complete a simple online application form (which will be available soon on the ACT Revenue Office website) to apply for a refund.

*Providing a \$750 rebate to small businesses through their next electricity bill (**\$9.8 million**)*

- Small business owners with electricity usage below 100 megawatts per year will see rebates of \$750 automatically applied to their next electricity bill in around June or July 2020.
- This will apply to approximately 13,000 businesses.
- The rebate will apply regardless of whether customers are on standing or market offers.
- You do not need to contact your electricity supplier as this will be automatically applied.

Waiving payroll tax for six months from April to September 2019 for hotels, clubs, pubs, restaurants and cafes, and businesses in the creative arts, entertainment sectors
(\$5.8 million)

- These industries will receive a one-off, six-month waiver (average waiver of \$120,000) of payroll tax from April to September 2020.
- Businesses will need to complete a simple online application form to confirm their eligibility by visiting the ACT Revenue Office website.
- For those who lodge their payroll tax assessment monthly, the first credit will be applied to the April payroll tax liability, which is usually payable by 7 May.
- For those who lodge their payroll tax assessment annually, the credit will be applied to their account when their assessment is received.

Waiving all food business registration and on-licence liquor licensing fees for twelve months from 1 April 2020
(\$3.6 million)

- Licenced venues will receive a 12-month waiver of their food business registration, liquor licencing fees and outdoor dining fees from 1 April 2020.
- In cases where food business registration has been prepaid for more than one year in advance, an additional 12 months will be added to the license.
- There are over 3,300 food licenses and over 500 on liquor licenses with fees varying by type of premises, operating hours and allowed occupancy.
- Businesses do not need to contact Access Canberra for this to occur. This support will be applied automatically as part of the normal annual fee licencing process.
- The liquor license waiver does not apply to off-licence venues.

Payroll Tax Deferrals
(nil direct cost, estimated to free up \$100 million in cashflow)

- All ACT businesses with Australia-wide wages of up to \$10 million can defer their 2020-21 payroll tax, interest free until 1 July 2022. Businesses will need to complete a simple online application form to confirm their eligibility by visiting the ACT Revenue Office website.
- We estimate that currently 27,000 businesses in the ACT currently do not pay payroll tax as they fall under our payroll tax threshold.
- Businesses will need to lodge their payroll tax returns as normal but will not be required to make the associated payment at the usual time. If the deferred amount is paid before 1 July 2022, no interest will be charged.

Freezing the Fire and Emergency Services Levy for commercial properties in 2020-21
around 6,500 commercial properties
(\$2.2 million in 2020-21, \$9.2 million over 4 years for residential and commercial)

Supporting gig economy workers the Government will waive ACT rideshare fees for 12 months from 1 April 2020
(\$200,000)

- This will waive fees for around 2,100 rideshare drivers.

Waiving taxi licences fees for 12 months from 1 April 2020 (\$880,000)

- The licence fee for Government leased taxi plates is currently an annual fee of \$5,000 per annum (or \$1,250 if paid quarterly).

Waiving all outdoor dining fees in 2020-21 (\$85,000)

- This will help around 240 businesses noting that there is a significant variation in fees depending on size and location.

Business Liaison Team

- A business liaison phone line has been created to assist businesses understand the support available to them through the ACT Economic Survival Package and practical advice for businesses operating through changed arrangements due to COVID-19.

The number businesses can call is: 6205 0900

Government spending with a focus on small and medium sized local businesses

Rapid rollout of 'screwdriver ready' minor capital works projects (\$20 million)

The Government will provide \$20 million for minor capital works projects to provide immediate support for small and medium-sized local businesses. It is intended that this fund will be fully utilised in this financial year. The program relates to works that can start immediately, be undertaken using local suppliers and workers, and whether they can be undertaken within social distancing requirements.

Urban forest and other public realm maintenance functions (\$3 million)

The Government will spend \$3 million on fast-tracking urban forest and public realm maintenance. This will redeploy staff who would otherwise have been employed under contract for work and events that are not expected to go ahead, and provide positions for low-skilled, casual workers to undertake paid employment.

Community/Industry support

Community Support Package (\$7 million)

Additional funding of \$7 million for our non-government organisation partners to meet increased service demand for emergency relief will also be rolled out as part of our Community Support package. This will provide support to partners to meet increased service demand for emergency and food relief, as well as to provide support for our casual/gig economy workers, those in our Aboriginal and Torres Strait Islander communities who require culturally appropriate support, and those that may be experiencing domestic and family violence.

The development of the package will be undertaken through consultation with our non-government sector partners.

Public Housing – Rent rebate (\$3 million)

In the coming months, Housing ACT will make cash payments of \$250 to all 12,000 households in the ACT public housing portfolio. This initiative will complement the Australian Government's one-off payment of \$750 to social security, veteran and other income support recipients and eligible concession card holders.

Additional support for the Vocational Education and Training Sector (\$2 million)

The Government will provide support for the Vocational Education and Training Sector by increasing subsidies for apprenticeships and traineeships and other VET students to access nationally recognised training in areas linked to skills needs across a range of industries.

Community Club Support (\$1.5 million)

An additional payment of \$1.5 million, as well as freeing up the existing \$1.7 million in the Clubs Diversification Fund, to support ACT Clubs keep staff employed on the clubs award rate. Immediate consultation will start directly with ACT clubs to investigate further ways the Government can help them keep as many Canberrans employed as possible as they re-adjust to social distancing requirements.

Increased grants for our arts community – Homefront (funding for Canberra artists) (\$500,000)

Funding of up to \$10,000 per artist is available for ACT practicing artists to support arts development and the sustainability of arts practice over the next 6-9 months. This may include the development of works to be exhibited or performed into the future, research and development, making of new works or sharing of works via online platforms. A total of \$500,000 will be available for this grant round.

Lifeline initiative (reprioritised resources)

We are reprioritising funding to provide Lifeline ACT with an additional \$100,000 to bolster its services following a recent spike in calls and to support the mental health wellbeing of Canberrans over the next six months. These funds will allow Lifeline to answer an additional 1,000 calls for help each month, and provide Canberrans experiencing mental distress about COVID-19 resources to help them get through this period.

Administrative stimulus measures

Early payment of invoices (\$1.3 million indirect lost interest costs)

Recognising the importance of cash flow to small and medium enterprises, the Government will accelerate the payments for invoices for local enterprises.