An Australian Government Initiative

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BUILDING BUSINESS · POWERING PRODUCTIVITY

Program Summary

INFORMATION CORRECT AS AT 03 JULY 2012

AusIndustry is the Australian Government's specialist business program delivery division in the Department of Industry, Innovation, Science, Research and Tertiary Education. AusIndustry publishes a monthly online bulletin.

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CLEAN TECHNOLOGY

Clean Technology Investment Program

The $800-million Clean Technology Investment Program is a competitive, merit-based grants program that helps manufacturers invest in energy-efficient capital equipment and low-pollution technologies, processes and products. SMEs with turnovers of less than $100 million requesting funding under $500,000 will contribute on a dollar-for-dollar basis. For all other grants under $10 million, Government support will be $1 to every $2 contributed by the applicant. All grants of $10 million and more are expected to have a co-contribution rate of $3 for each $1 of Government support, and will be considered by Cabinet. The program is open until 2017-18.

Clean Technology Food and Foundries Investment Program

The $200 million Clean Technology Food and Foundries Investment Program is a competitive, merit-based grants program that helps manufacturers in the food and foundries industries invest in energy-efficient capital equipment and low-pollution technologies, process and products. Grants are provided on the same basis as the Clean Technology Investment Program (see above). The program is open until 2016-17.

Clean Technology Innovation Program

The Clean Technology Innovation Program is a $200-million competitive merit-based grants program which supports applied research and development, proof of concept and early stage commercialisation activities in the areas of clean energy, low-emission technology and other energy-efficient technologies. The program offers grants from $50,000 to $5 million and will fund up to 50 per cent of eligible expenditure on a 1:1 funding basis. The program is open until 2016-17.

INNOVATION AND R&D

R&D Tax Incentive

The R&D Tax Incentive is a targeted tax offset designed to encourage more companies, particularly SMEs, to engage in research and development in Australia. It has two core components:

- a 45 per cent refundable tax offset (equivalent to a 150 per cent concession) for eligible entities with a turnover of less than $20 million per annum
- a non-refundable 40 per cent tax offset (equivalent to 133 per cent deduction) for all other eligible entities.

The R&D Tax Incentive replaces the R&D Tax Concession and applies to income years beginning on or after 1 July 2011.

VENTURE CAPITAL

Innovation Investment Fund

The Innovation Investment Fund (IIF) is a venture capital program that supports new innovation funds and fund managers with expertise in early-stage ventures. The IIF co-invests with private investors in venture capital funds to commercialise the outcomes of Australia's strong research capability.

Venture Capital Limited Partnerships Program

Fund managers seeking to raise a new venture capital fund of at least $10 million for investing in Australian businesses with assets of up to $250 million may be eligible for Venture Capital Limited Partnerships Program (VCLP) registration. Registration entitles a fund to flow-through tax treatment. Eligible foreign limited partners receive a capital gains tax exemption for gains made on eligible investments. Australian businesses with assets of less than $250 million may be able to access capital from funds registered under this program if their primary activity is not finance or property development.

Early Stage Venture Capital Limited Partnership Program

To qualify for registration as an Early Stage Venture Capital Limited Partnerships Program (ESVCLP), a fund must have at least $10 million and no more than $100 million in committed capital and invest in eligible investments. Registration entitles a fund to flow-through tax treatment and its investors (whether resident or non-resident) receive a complete tax exemption on their share of the fund's income (both revenue and capital). Australian businesses looking to fund their growth may be able to access capital from funds registered under this program if their total assets are no more than $50 million and their primary activity is not property development, land ownership, finance or construction.

IMPORT AND EXPORT

Tradex

Tradex aims to make Australian exporters more competitive by providing up-front customs duty and GST exemptions at the time of import. The exemptions apply to eligible imported goods intended to be exported or incorporated into other goods to be exported. Export may be carried out by the importer or a third party. Tradex can provide significant cash flow benefits.

Enhanced Project By-law Scheme

The Enhanced Project By-law Scheme (EPBS) provides import duty concessions on eligible goods imported across single or multiple shipments for major projects in the mining, resource processing, agriculture, food processing, food packaging, manufacturing, gas supply, and water supply industries.

The scheme is aimed at projects with eligible goods worth $10 million or more. Goods for which a concession is being sought must not be produced in Australia, and project proponents must implement an approved Australian Industry Participation Plan which provides Australian suppliers with opportunities to participate in the project.

SMALL BUSINESS

Small Business Support Line

The Small Business Support Line (SBSL) provides small business owners with a single point of contact to help them access information and referral services.

The support line links into existing small business support mechanisms including business licensing information and referrals, Business Enterprise Centres, and State and Territory government small business programs and services.

Call the Support Line on **1800 77 7275**,
visit **www.business.gov.au** to use 'live chat'
or email **sbsl@innovation.gov.au**.

Small Business Advisory Services

Under the Small Business Advisory Services (SBAS) program organisations are funded to provide advisory services such as business planning, financial management and mentoring, to help small businesses succeed and grow. As part of the 2012 Federal Budget, the Australian Government announced that $27.5 million will be provided to extend the SBAS program for another four years. SBAS, which now will run on an ongoing basis, offers grants of around $100,000 per annum for eligible not-for-profit organisations to provide business advisory services to small businesses for two years. Applications close 25 July 2012.

Textile, Clothing and Footwear Small Business Program

The Textile, Clothing and Footwear Small Business Program (TCF SBP) is a competitive, merit-based program that provides grants of up to $50,000 to small TCF businesses seeking to improve their business enterprise culture. Funding of $2.5 million is available per year over a 10-year period, finishing in 2015–2016.

MANUFACTURING INDUSTRY

Automotive Transformation Scheme

The Automotive Transformation Scheme (ATS) provides $3.4 billion in cash payments to the automotive industry, including motor vehicle producers, component producers, machine tool and automotive tooling producers and service providers. ATS replaces the Automotive Competitiveness and Investment Scheme (ACIS). Assistance is capped at $1.5 billion from 2011 to 2015, and $1 billion from 2016 to 2020. The scheme also includes uncapped assistance of approximately $847 million.

The scheme encourages competitive investment and innovation in the Australian automotive industry to place the industry on an economically sustainable footing in a way that improves environmental outcomes and workforce skills. ATS opened in January 2011. It is part of the Australian Government's A New Car Plan for a Greener Future.

Clothing and Household Textile Building Innovative Capability Scheme

The Clothing and Household Textile Building Innovative Capability Scheme (BIC) provides incentives to promote innovation and associated investment in the clothing, household textile manufacturing and design industry in Australia. The $112.5 million scheme replaces the TCF Post-2005 (SIP) scheme.

Textile, Clothing and Footwear Strategic Capability Program

The Textile, Clothing and Footwear Strategic Capability Program (TCF SCP) supports large projects that will build innovation in the textile, clothing and footwear industry. The $35 million scheme will run until June 2015.

The minimum grant is $250,000 and funding must be matched dollar-for-dollar. Applications for grants will be called once a year.

Textile, Clothing and Footwear Corporatewear Register

The Textile, Clothing and Footwear Corporatewear Register (TCF Corpwear) allows employers to register non-compulsory occupational clothing, thereby avoiding liability for fringe benefit tax and allowing employees to claim the cost of such clothing as a tax deduction.

Textile, Clothing and Footwear Small Business Program

See entry under *Small Business*.

Certain Inputs to Manufacture

The Certain Inputs to Manufacture (CIM) program provides import duty concessions on certain imported raw materials and intermediate goods that form inputs to an Australian manufacturing process. The concession covers chemicals, plastics or paper goods, and metal materials and goods used for packaging food. Applications must demonstrate that the imported goods are substantially superior to comparable goods produced in Australia and must identify any Australian manufacturer of comparable raw materials or intermediate goods.

ENERGY AND FUELS

LPG Vehicle Scheme

The LPG Vehicle Scheme provides grants to individuals to convert a registered motor vehicle to LPG, or to buy a new vehicle fitted with LPG. Applications for the grant can be made up to 12 months after a car has been converted or purchased.

REGIONAL INNOVATION FUNDS

From time to time the Australian Government introduces support for a specific region. This normally occurs via a structural adjustment process. Current examples are the Illawarra Region Innovation and Investment Fund, the South East South Australia Innovation and Investment Fund, and the Tasmanian Innovation and Investment Fund.

CS1213-0004