

On-Farm Emergency Water Infrastructure Rebate Scheme

Frequently Asked Questions

October 2023

Q What is the On-farm Emergency Water Infrastructure Rebate Scheme?

A The Scheme provides a one-off 25 per cent rebate up to \$25,000 (GST exclusive) to eligible primary producers and horticultural farmers in drought and natural disaster affected areas for the costs associated with the purchase and installation of new on-farm water infrastructure or repair and replace damaged infrastructure that addresses animal welfare needs, permanent planting needs, recovery from natural disasters and improve resilience to drought.

Q Who administers the Scheme?

A The Scheme is administered in Tasmania through AgriGrowth Tasmania within the Department of Natural Resources and Environment Tasmania (NRE Tas).

Q How long will the Scheme operate for and when will applications close?

A Applications to assess eligibility under the Scheme opened on 18 October 2023 and will close on **31 December 2023**. No applications will be accepted after this date. **Late submissions will not be accepted.**

Q What is the cut-off date for submitting claims

A Once you have been notified that your application is approved, you can submit claims up until **29 March 2024**. Claims for payment cannot be guaranteed if they have been submitted after the claim closing date of 29 March 2024. If a primary producer or horticultural farmer is not able to complete the claim by 29 March 2024 they need to contact AgriGrowth Tasmania through FarmPoint as soon as possible prior to 29 March 2024.

Q What is the difference between an application and a claim?

A An application is where you submit your information for the Department to assess your eligibility under the Program so that you are approved to make a claim for a rebate. A claim is submitting the supporting evidence required for the Department to make a rebate payment to an approved applicant (e.g Tax invoice, receipts.)

Q What happens if I have submitted a claim under the Primary Producer Recovery Grant Program or the Private Landholder Grant Program – can I still apply for a rebate under this Scheme?

A Yes, if the water infrastructure costs have not already been reimbursed by the Australian or the Tasmanian Governments.

Q If I have received reimbursement for an invoice under the Primary Producer Recovery Grant Program or the Private Landholder Grant Program – can I still get reimbursement under this Program?

A Yes, if the water infrastructure costs have not already been reimbursed by the Australian or the Tasmanian Governments.

Q If I have already purchased and installed the equipment that is eligible under this Scheme can I seek reimbursement for these expenses?

A Yes, providing the equipment is eligible for a rebate and has it has been purchased within the eligible activity dates (refer to the Guidelines).

Q What does it mean by carrying on business of primary production?

A An eligible Primary Producer refers to the carrying on of a business of primary production consistent with tax ruling [TR 97/11 | Legal database \(ato.gov.au\)](https://www.ato.gov.au/ATO/Content.aspx?Content=TR97/11) available on the www.ato.gov.au website.

Q What does it mean to be a horticultural farmer?

A: A horticultural farmer is a farmer with permanent planting such as olives, nuts, wine grapes, truffles or fruit orchards.

Q What does it mean to be a primary producer?

A: A primary producer is undertaking the grazing of livestock (animals primarily grazing in a pasture-based open-air grazing system).

Q Do I have to prove that I am earning 50% of my income from primary production to be eligible under this Program?

A No. Primary production under this program needs to be consistent with the [Taxation Ruling TR97/11](https://www.ato.gov.au/ATO/Content.aspx?Content=TR97/11) available on the www.ato.gov.au website.

Q Who is eligible for this scheme?

A For the purposes of this program primary producers and horticultural farmers have been defined by the Australian Government. Please refer to Section 3 of the Guidelines for more detail on Eligibility.

Q What activities are eligible for funding?

A Please refer to section 4 of the Guidelines for eligible activities.

Q What activities are not eligible for funding?

A Please refer to section 5 of the Guidelines for Ineligible activities.

Q Where are the 18 local government areas (municipalities)?

A An eligible natural disaster under this Scheme is the severe weather (flood) event in October 2022 which significantly impacted parts of 18 Local Government Areas (LGAs) across Northern Tasmania, primarily Break O'Day, Burnie, Central Coast, Central Highlands, Circular Head, Devonport, Dorset, Flinders, George Town, Glamorgan-Spring Bay, Kentish, Latrobe, Launceston, Meander Vally, Northern Midlands, Waratah-Wynyard, West Coast and West Tamar.

Q What costs are covered?

A The purchase and installation of eligible on-farm water infrastructure and/or repairs. If you are unsure what costs are eligible, please contact AgriGrowth Tasmania through FarmPoint on 1300 292 292 or email farmpoint@nre.tas.gov.au.

Q Can a company or incorporated body apply?

A Yes, providing eligibility criteria are met.

Q How do I know if my property is covered?

A Recipients will be required to demonstrate that:

- 1) they are from the grazing or horticulture industries, and
- 2) they are drought affected, or
- 3) were impacted by an eligible natural disaster, that is, located within the 18 LGAs affected by the October 2022 flood event.

Q Is GST included in any payment received?

A No. Payments will be provided to you ex GST.

Q Should the rebate be treated as taxable income when my income tax return is completed?

A The receipt of rebates from this Scheme may be treated as income by the ATO. While grants are typically treated as assessable income for taxation purposes, how they are treated will depend on the recipient's particular circumstances. It is recommended that you seek professional advice on your tax obligations.

Q How much can I receive?

A The maximum rebate that can be claimed is 25 % of total costs up to a maximum of \$25 000 (excluding GST) per primary producer or horticultural farmer over the duration of the Scheme.

Q How many times can I apply for the rebate?

A Each eligible primary producer or horticultural farmer may lodge only one application. After approval is received, claims (including multiple) can be submitted over the duration of the Scheme. The total rebate for the approved applicant must not exceed \$25 000 (excluding GST).

Q How will payments be made?

A If an applicant is approved and the claim is assessed for eligible activities, a rebate amount will be credited directly to the applicant's nominated bank account via Funds Transfer (EFT).

Q How quickly will claims be processed?

A The Department will endeavour to notify you of the decision on your completed application within two weeks of receiving the application. The Department will make every endeavour to process claims within seven working days of receipt of all the required information to enable processing of the claim. A completed application is one that all the information required to make an assessment on eligibility.

Q Can I get approval before completing the work?

A Yes, if you do not have invoices, applications can be completed using quotations to enable an assessment of your eligibility to be made. If your application is approved, you will need to submit eligible tax invoices before the claim closing date of 29 March 2024 to enable a rebate payment to be made to you.

Q What information do I need to provide with my application?

A The application form lists the required supporting documentation.

Q How long do I have to be in business to be eligible to apply?

A Your business must have an ABN and be registered at the time of the application being submitted.

Q Am I eligible to apply if I am suffering from dry conditions?

A You must provide information to indicate that you are impacted by drought to be considered eligible. Drought for this program is defined as an acute water shortage [not caused by a man-induced temporary water imbalance, aridity or water scarcity].

The location must be in an area suffering from acute water shortage (e.g low rainfall). You can refer to [My Climate View](#) or the [Bureau of Meteorology](#) to find out the latest information on rainfall deficiencies and water availability in Tasmania.

Q Are there any areas in Tasmania currently impacted by drought?

A As at 18 October 2023 there are unlikely to be locations that would meet the definition of drought in Tasmania. However, given the seasonal outlook this may change quickly as the season progresses and before the applications close on 31 December 2023. We encourage any potential applicants to call AgriGrowth Tasmania through FarmPoint on 1300 292 292 to discuss their situation.

Q Can I build a new dam?

A No. Construction of new dams or modification of an existing dam (except for desilting) are ineligible under this program.

Q Can I claim for purchase of second-hand equipment or is only for new infrastructure?

A 'New' can include the purchase of high-quality second-hand items provided a valid tax invoice is submitted with your claim.

Q How do I claim where I use my own machinery?

A If you wish to claim expenses incurred from own equipment or machinery, you will need to provide proof of ownership and a logbook including dates, hours of use and litres of fuel, and invoices for any fuel being claimed.

Q What if I have a combination of invoices and quotes for my project?

A All relevant invoice and/or quotation documents are required to ensure the full amount of your project is considered during the assessment of your application. Once notified of approval, you will then have from the date of your approval confirmation until the closure of the claim period on 29 March 2024 to provide all relevant tax invoices to claim reimbursement for the works approved for funding under the rebate.

Q Who do I refer to if I have trouble submitting my application?

A Contact AgriGrowth Tasmania through FarmPoint on 1300 292 292 or farmpoint@nre.tas.gov.au .

Q How do I submit my application?

A Applications can be submitted through SmartyGrants here; <https://nre.smartygrants.com.au/OFEWIRS>