

King Island and Flinders Island Water Infrastructure Rebate Scheme

Frequently Asked Questions

July 2024

Q What is the King and Flinders Island Water Infrastructure Rebate Scheme?

A In acknowledgement of the dry conditions being experienced on King and Flinders Islands, and to promote future preparedness, the Tasmanian Government is offering a rebate to primary producers to purchase and install new on-farm water infrastructure, or repair and replace damaged infrastructure. These rebates address animal welfare needs and improve resilience to drought. Recipients will be required to demonstrate that they are from the livestock grazing industry.

Q Who administers the Scheme?

A The Scheme is funded by the Tasmanian Government and is administered by AgriGrowth Tasmania within the Agriculture and Water Strategic Business Unit of the Department of Natural Resources and Environment Tasmania (NRE Tas) (the Department).

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

A The Scheme is open to applications any time until **24 December 2024 or until funding is fully committed**. Claims (including supporting evidence) confirming that project activities are completed, will need provided by **30 June 2025**.

Q What is the cut-off date for submitting claims?

A Once approved, you can submit claims up until 30 June 2025. Claims for payment cannot be guaranteed if they have been submitted after the closing date. If an applicant is not able to complete eligible activities by 30 June 2025, then they need to contact AgriGrowth Tasmania through FarmPoint as soon as possible.

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

A An application is submitted through SmartyGrants for approval for the rebate. A claim consists of supporting evidence which has been submitted for payment (eg tax invoice, receipts).

Q What is a primary producer?

A An eligible Primary Producer refers to the carrying on of a business of primary production consistent with Taxation Ruling TR97/11 available on the <http://www.ato.gov.au>.

Q What happens if I have submitted a claim under a previous Government grant – can I still apply for this Program?

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

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

A Yes, providing it has been purchased within the eligible activity dates and not already been paid for through another Australian or Tasmanian Government program.

Q Who is eligible?

A Eligible applicants MUST...

- a. be a livestock grazing primary producer on King or Flinders Islands:
 - i. For the purposes of this Rebate Program an eligible Primary Producer refers to the carrying on of a business of primary production consistent with Taxation Ruling [TR97/11](#) available on the www.ato.gov.au website
 - ii. The grazing of livestock refers to animals primarily grazing in a pasture-based open-air grazing system.
- b. be property owners, share farmers or lease holders in the livestock grazing industry.
- c. undertake project activities for grazing livestock that the landholder owns (that is, not for stock agisted on their property).

Note: The program recognises that livestock production is the primary agricultural pursuit conducted on King and Flinders Islands and therefore the risks that water scarcity from drought can pose to livestock animal welfare. *Other primary producers on King and Flinders Islands that meet the Taxation Ruling definition outlined above may also be considered on a case-by-case basis.*

Any eligible livestock primary producers who may have accessed similar water infrastructure rebate schemes in the past are eligible to apply for this Scheme, provided the costs are new and have not previously been claimed. Applicants are also able to access the \$2,500 bonus for developing or having a farm business resilience plan or drought management plan in place.

Q What activities are eligible for funding?

A Water infrastructure must be purchased and installed for genuine animal welfare purposes that will also improve future drought resilience. The Rebate applies to new, repairs to, or replacement of, water infrastructure purchased after 1 January 2024 and must be either:

- a. infrastructure purchased to assist with stock water, including:
 - i. Underground fixed pipes
 - ii. water storage devices such as tanks and troughs.
 - iii. water pumps and associated water distribution systemsand/or
- b. the drilling of new stock water bores and associated power supply such as generators
and/or
- c. electrical and technology control devices for the installed water infrastructure

and/or

- d. construction, modification and desilting of an existing dam or waterhole for stock water provision.

Eligibility for the rebate to cover expenses related to damaged water infrastructure applies to:

- e. repair or replacement of damaged infrastructure (limited to the items listed in a – d above) and
f. applications that do not include funds from insurance and other grants as part of the 75% contribution required of applicants.

For the purposes of this Rebate Program, the costs directly attributable to and required for, the installation of, or repairs to, the eligible infrastructure including contractors, labour hire, or employee or business operator wages can be included. Invoices, time sheets or other evidence will be required as part of the application.

Q. Can I claim my own labour?

- A. Yes. You can claim the cost of your own labour if additional labour was not able to be sourced on the Island to complete the work prior to the Program closing on 30 June 2025.

Claiming your own labour is subject to these conditions:

- * a maximum of \$5,000 may be claimed
- * must not include work carried out by you that should have been undertaken by licenced contractors (such as certified electrical and plumbing work)
- * provision of a timesheet stating hours worked and an hourly rate that must be submitted with your claim along with a declaration that the claimed hours were in addition to your normal working hours to complete the approved work.

NOTE : works above may require approval under the *Water Management Act 1999*. Advice is available from the Water Unit within the Department of Natural Resources and Environment. Fact sheets, application forms and contacts may be found here: [Dams | Department of Natural Resources and Environment Tasmania \(nre.tas.gov.au\)](#). Alternatively, please speak to AgriGrowth Tasmania via FarmPoint at farmpoint@nre.tas.gov.au or phone 1300 292 292.

Applications may be referred to the Department's Water Unit to ensure appropriate approvals are in place prior to any rebates being paid.

Q What activities are not eligible for funding?

- A The rebate does not apply to:

- any new purchases or repairs made prior to 1 January 2024.
- water infrastructure purchased and installed for uses other than to supply water for livestock i.e. excludes water infrastructure associated with crop [pasture] or fodder irrigation, such as pivot irrigators.
- water infrastructure costs financed by the Australian Government or the Tasmanian Government under another program, other than a loan program.
- normal wages paid to an employee of your primary production enterprise or your self-assessed labour not involved in installing the water infrastructure.
- the purchase and/or installation of other types of on-farm infrastructure, such as machinery and sheds.

Q What are the eligible local government areas (municipalities)?

A King Island and Flinders Island

Q Why are other LGAs in Tasmania not included in this Scheme?

A The Rebate Scheme has been established for King and Flinders Island due to their unique circumstances regarding water infrastructure. Tasmanian producers have also had the opportunity to apply for the \$1.1million On-Farm Emergency Water Infrastructure Rebate Scheme that was jointly funded by the Australian and Tasmanian Governments. That Scheme closed in May 2024.

Q What costs are covered under this Scheme?

A The purchase and installation of eligible on-farm water infrastructure and/or repairs.

Q Can a company or incorporated body apply?

A Yes, ensuring eligibility criteria are met.

Q How do I know if my property is covered?

A Located within the King Island and Flinders Island local government area (LGA).

Q Is GST included in any payment received?

A No, funds will be provided to you ex GST.

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

A Yes. Rebates provided under this Program are assessable income for taxation purposes and must be declared. It is recommended that you seek professional advice on your tax obligations.

Q How much can I receive?

A The maximum subsidy rebate that can be claimed is \$15,000 (GST Exclusive) per primary producer.

To further support resilience development, an additional \$2,500 (GST Exclusive) Rebate is available to primary producers who can provide evidence of an existing drought risk management plan or have enrolled in the Farm Business Resilience Program (FBR) Program to complete a Farm Business Resilience Plan. The FBR Program is being delivered by either DairyTas (www.dairyaustralia.com.au/dairytas) or RMCG (www.tasfarmingfutures.com.au/resilient-farming-tas). The additional rebate will be paid to you once evidence that a plan has been completed by NRE Tas.

Q: If I have already enrolled to participate in the FBR Program prior to the Grant program being announced on 18 July 2024, am I still eligible to receive the \$2,500 additional rebate?

A: Yes – if you have enrolled after 1 January 2024.

Q What are the minimal standards for a Farm Business Plan (including drought risk management)?

NRE Tas encourages you to participate in the FBR Program to either review or develop a plan. However, if you have an existing plan that you wish to submit with your application, key things to note is that the Plans should:

- be tailored and fit for purpose for each farm business enterprise;
- identify risks and actions to build resilience;
- outline an approach as to how the farm business enterprise will implement actions;
- outline how the farm business enterprise will monitor/review progress against the plan.

The strategic planning and risk elements should address people and culture, business risks including farm safety and natural resource management components of the farm.

Please contact an AgriGrowth Liaison Officer through FarmPoint on 1300 292 292 or farmpoint@nre.tas.gov.au, if you have any questions about the minimum standards for a plan.

Q How many times can I apply for the rebate?

A Each eligible primary producer should lodge **one** application over the duration of the Scheme. If you need to amend and re-submit your application, contact FarmPoint.

Q How will payments be made?

A If an applicant is approved, the approved rebate claim 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 application within one month of receiving the application, plus any additional time required to obtain further information from the applicant.

Q Can I get approval before completing the work?

A Yes, applications can be completed using quotations. If your applications is approved, you will need to submit eligible tax invoices before the claim closing date.

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 No timeframe, ensuring eligibility criteria are met.

- 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 available on the www.ato.gov.au website.
- Q Am I eligible to apply if I am suffering from dry conditions but am not in one of the impacted LGAs?**
- A** No, this rebate scheme is for King Island and Flinders Island LGA only.
- Q Can I build a new dam?**
- A** Yes. Construction, modification and desilting of an existing dam or waterhole for stock water provision is an eligible activity 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 full log book 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 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 until the closure of the program to provide all relevant tax invoice to claim for the works approved for funding under the rebate.
- Q Who do I contact if I have trouble submitting my application?**
- A** Contact AgriGrowth Tasmania through FarmPoint.
- Q How do I submit my application?**
- A** Applications can be submitted through SmartyGrants here <https://nre.smartygrants.com.au/kflfarmwater>

Enquiries

Please direct enquiries about the Scheme to:

FarmPoint – AgriGrowth Tasmania

Phone: 1300 292 292

Email: farmpoint@nre.tas.gov.au