

HOBSONS BAY BUSINESS RATES WAIVER APPLICATION PROCESS

Background

Council recognises that unexpected events such as the COVID-19 pandemic can create significant hardship on businesses within the community.

In considering rate waivers under Council's recently adopted Hobsons Bay Financial Hardship Policy 2020 (the Policy) it is imperative that waivers do not compromise Hobsons Bay City Council's ongoing financial sustainability. This is particularly important as rates are Council's primary source of revenue that contribute significantly to ensuring the ongoing delivery of a range of important services to the local community and capital works projects that not only provide important infrastructure but also help stimulate the local economy.

Council has already waived \$2.2 million as part of the automatic COVID-19 Rate Adjustment included on rate notices. In addition, Council has released three Community Support Packages aimed at relieving some of the stress the community is experiencing as a result of the COVID-19 pandemic. Initiatives include the waiving or refund of several fees for local businesses and waiver of paid parking fees, specifically to support local businesses.

A business needs to provide the relevant evidence within their application to prove that they are eligible for a rate waiver. Council cannot assess the application without evidence that the applicant:

1. meets the definition of a body under the Policy
2. has had a reduction in turnover of at least 50 per cent

Step 1: A body

The first step for a business to be eligible for a rates waiver is to meet the definition of a body, included within the Policy.

A body must be a registered business (ABN/ACN) that:

- i. employs less than 200 employees; and
- ii. has aggregated turnover of less than \$5 million per annum; and
- iii. is not a subsidiary or associate of a large business; and
- iv. is not a superannuation or trust fund

The documentation required by an applicant to prove that they meet the definition of a body has not been prescribed by Council. It is expected that each applicant will provide different documentation, specific to their own circumstances and dependent upon what is available.

It is important that the on-line application contains relevant documentation that proves that the applicant meets the definition of a body.

Step 2: Decline in Turnover

The second step for a business to be eligible for a rates waiver is that they need to be experiencing exceptional circumstances. Under the Policy, this amounts to at least a 50 per cent decline in turnover compared to the previous financial year.

The simplest way for a business to prove their decline in turnover is to provide their most recent **Business Activity Statement (BAS)**, as well as their BAS from the corresponding period in the previous financial year. This information should be attached within the on-line application.

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Interest free rate deferrals

Council is also offering financial assistance in the form of interest free rate deferrals. If you are struggling to make payments by the due dates to can also apply to have payments deferred until 28 February 2020. This date has been extended to coincide with the third rate instalment for 2020-21.



**HOBSONS BAY
LANGUAGE LINE**

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