



## Drought Relief Measures

*With more recent focus on the continuing drought, on 19 August 2018 the Government announced some additional drought relief measures to try to assist our battling farmers. All of these measures have now been legislated and are in place. A summary of the measures are below.*

### **Tax Measure**

An immediate deduction for the cost of fodder storage assets first used or installed ready for use from 19 August 2018.

### **Farm Business Concessional Loans Scheme via Regional Investment**

This involves an increase in the maximum loan amount available from \$1 million to \$2 million. The loans are made available through the Regional Investment Corporation.

### **Farm Investment Loan**

This loan is designed to assist owners of farms or farm businesses to diversify, and is aimed at those that mainly sell (or plan to sell) products into supply chains that are interstate or outside Australia. These loans are up to \$2 million over 10 years with no fees and a 3.28% variable interest rate. They have a repayment structure that is the first 5 years interest only, then principal and interest for the balance of the 10 year term with the payment frequency tailored to the cash flow of the farm business. There are a number of eligibility criteria so if this is of interest, check the link to see if you may be eligible and the terms suit your specific situation.

<http://www.ric.gov.au/farmers/farm-investment>

**PROVIDING  
SOLUTIONS  
THAT MAKE A  
DIFFERENCE  
TO YOU.**

## Drought Loan

There are a number of eligibility requirements for these loans, including that the owners of the farm business must be in an eligible area, be registered for GST, have existing commercial debt, have a drought management plan, contribute at least 75% of the farmer's labour to the business, earn at least 50% of the farmer's total income from the farm business. A business cash flow budget must also be provided if you apply. The link contains a section where GPS coordinates or the property address can be entered to assess if it falls in an eligible area. The loan has the same terms as above, and applicants would need to email a completed application form (available on the website) and all of the required documents to [loans@service.RIC.gov.au](mailto:loans@service.RIC.gov.au). Further details are on the link <http://www.ric.gov.au/farmers/drought>

## Farm Household Allowance

The other measure that was announced involves changes to the Farm Household Allowance program which includes two lump sum supplementary payments worth up to \$12,000 for eligible households, and includes changes to the asset threshold eligibility criteria.

If this is of interest, more information can be found on the Australian Government website for the Department of Agriculture and Water Resources. <http://www.agriculture.gov.au/ag-farm-food/drought/assistance>

These measures might provide some relief to those who are eligible. Check out the websites for further information and the different eligibility criteria if this is something that may assist you. Our team are also here to assist and support you with any questions.

A tailored approach for each business is recommended so call us for assistance and advice on 4927 4588 to see how we can help.

**WE ARE DRIVEN TO  
UNDERSTAND WHAT YOUR  
FINANCIAL GOALS ARE, AND  
HELP YOU ACHIEVE THEM.**

- BUSINESS IMPROVEMENT STRATEGIES
- BUSINESS STRUCTURES AND SUCCESSION PLANNING
- SELF MANAGED SUPERANNUATION FUNDS
- TAXATION AND ACCOUNTING
- AUDITING AND ASSURANCE



ROCKHAMPTON • YEPPOON • EMERALD



[EVANSEDDWARDS.COM.AU](http://EVANSEDDWARDS.COM.AU)



**EVANS EDWARDS**

ACCOUNTANTS | AUDITORS | BUSINESS ADVISORS