



COVID-19 Regional Airlines Funding Assistance

The objective of the Regional Airlines Funding Assistance Program (the Program) is to assist air service operators providing services to regional and remote locations to continue to remain financially viable through the unprecedented downturn in aviation due to the impact of the COVID-19 pandemic. The Program will provide cashflow assistance where required according to certain criteria.

The Program is seen as a 'last resort' option when all other reasonable strategies to manage an air operator's position have been undertaken, including seeking assistance through other Federal and State Government support programs.

Domestic commercial airlines operating Regular Public Transport services to regional and remote locations, and a range of other essential air operators, are able to submit an application for grant funding support, subject to eligibility and analysis of the organisation's financial situation.

The program runs for nine months until 31 December 2020 or until funding is exhausted. Applications will be accepted until 1 December 2020.

Air operators apply to be considered for financial assistance during the period of the program. If approved, a grant agreement is entered into with the Department for a period up to 31 December 2020.

FAQs

Am I eligible?

To be eligible you must satisfy the following criteria:

- have an Australian Business Number (ABN)
- be registered for the purposes of GST
- have an account with an Australian financial institution
- be one of the following entity types:
 - a company incorporated in Australia
 - a company incorporated by guarantee
 - an incorporated trustee on behalf of a trust
 - a partnership
 - a registered charity or not-for-profit organisation
 - an Aboriginal and/or Torres Strait Islander Corporation registered under the [Corporations \(Aboriginal and /or Torres Strait Islander\) Act 2006](#)
- be compliant with all relevant statutory and legislative requirements

AND satisfy the following eligible air service activities criteria:

you must either:

- have an Regular Public Transport RPT Air Operator's Certificate (RPTAOC) and operate public commercial air services to/from regional and/or remote location(s) in accordance with your RPTAOC; or
- be a contracted essential service provider to/from regional and/or remote location(s), including but not limited to, contracted aeromedical services.

The grant guidelines provide additional information for you to consider prior to applying. The guidelines are available at GrantConnect at www.grants.gov.au

[How do I know if I am an essential service provider?](#)

The program's intention is to provide 'last resort' funding support to air operators that provide critical connectivity to regional Australia or in-contract essential services, such as aeromedical and provisioning of basic goods to remote Australia.

The following services are likely to be considered essential under this program:

- scheduled public air services to regional and remote locations.
- aeromedical services to regional and remote locations and critical patient transfer.
- search and rescue aviation capability, or like service involved in preserving life.
- the provision of essential goods to communities in remote Australia not serviced by regular road or rail freight services.
- charitable organisations providing such services.

The following services are unlikely to be considered essential:

- existing commercial arrangements such as the transport of workforce to remote locations that are not impacted by the COVID pandemic.
- regular freight activities.
- aviation services that can be substituted cost effectively for other transport modes.
- tourist charters or other tourism related operations, except where a portion of the business provides an essential service listed above.

What is considered essential will be a decision of the Department of Infrastructure, Transport, Regional Development and Communications (the Department).

My business provides many services, some of which are essential. What am I eligible for?

Under this Program funding is only available as a last resort measure to support operators offering essential services. Activities your business has taken to continue to offer those essential services, including reallocation of your own resources, will be assessed as part of what steps you have taken to improve the business' position.

What does 'last resort' mean?

Last resort means that you have taken all reasonable steps to improve your financial position through approaching existing or new lenders, utilising existing credit lines, negotiating alternative arrangements with suppliers and use of other government assistance available (see section below) while still requiring further support to remain financially viable through a period of "hibernation" or continue to provide a minimum essential service offering through the grant period.

The grant program is not intended to fund a 'normal' level of business activities - for example, capital upgrades - that would have occurred in the absence of the downturn caused by COVID-19.

What can I seek grant funding for?

The grant funds must be used to support the continuing operation of your organisation for eligible air service activities as agreed by the Department in a grant agreement.

Grant money cannot be used to meet expenses that can be recovered from alternative Commonwealth or State Government programs, for example meeting staffing costs that can be supported under the Commonwealth JobKeeper Payment.

What is the grant agreement?

You may apply to be considered for financial assistance during the period of the program. If approved, a grant agreement is entered into with the Department for a period up to 31 December 2020. You can then consider if or when you submit a claim under the agreement (maximum one claim per month). The application and each claim will be assessed based on analysis of your organisation's financial situation.

What are the grant amounts?

Funding amounts will be negotiated on an individual basis and will depend on the analysis of financial data.

How long will it take to receive funding?

We will acknowledge receipt of your application within one business day. Your application will then be assessed for eligibility within seven business days. During that time you may be asked to provide additional information. You will then be notified of the outcome within a further three business days.

A draft funding agreement will then be provided. Funding will not commence until a signed funding agreement is in place.

How long will the program run for?

The Australian Government has announced a total of \$100 million across the 2019-20 and 2020-21 financial years.

Do I need to pay back any grant funding?

As this funding is a grant, you do not have to repay the funding received under this Program, as long as grant funding is used for eligible expenses and acquitted in line with the grant agreement.

Will a grant affect my tax?

Yes. Grants are assessable income for taxation purposes, unless exempted by taxation law. We recommend you seek independent professional advice on your taxation obligations or seek assistance from the Australian Taxation Office. We are unable to provide taxation advice.

How do I apply?

Go to <https://www.grants.gov.au/?event=public.GO.show&GOUUID=6A82C435-E9E9-E6C5-4984945FF53D0391> and select 'GO Documents' to register.

Once registered, you can view the application form. When complete, email your application to the COVID Regional Airlines Funding Assistance Program team at COVIDrafa@infrastructure.gov.au.

Who can I contact if I am having difficulties accessing the application form?

Please email your questions to COVIDrafa@infrastructure.gov.au

What other assistance is available for the aviation industry?

The Government has implemented a number of other measures to support air operators and airports through this unprecedented period of disruption.

The following measures will remain in place from 1 February 2020 to 31 December 2020 or until allocated funds are exhausted:

- Reimbursement of aviation fuel taxes for commercial or aeromedical aircraft operators
- Relief from Airservices Australia charges for the domestic aviation industry
- Rebates for Domestic Aviation Security for commercial and aeromedical aircraft operators
- Additional funding for regional aviation security to cover the implementation costs of enhanced regional airport security requirements, as well as providing temporary funding for operational costs associated with these requirements

You may also be eligible for the Regional Airline Network Support program. This program intends to assist domestic commercial airlines operating services at the Regular Public Transport (RPT) aviation safety standard to regional locations to maintain a basic level of connectivity across their network of regional routes. This will support critical air services to connect regional Australia to freight, medical testing, supplies and essential personnel.

Further information on is available at

<https://www.grants.gov.au/?event=public.GO.show&GOUUID=6A82C435-E9E9-E6C5-4984945FF53D0391>

Broader assistance

The Australian Taxation Office (ATO) may provide administrative relief on a case by case basis, for certain tax obligations for taxpayers affected by the Coronavirus outbreak. This could include deferring payment of certain taxes for up to six months, and allowing businesses to vary their pay-as-you-go instalment amounts to zero for the March 2020 quarter. You can contact the ATO on 1800 806 218 or visit the ATO website www.ato.gov.au for further information.

The Australian Government has also implemented a range of support programs including JobKeeper payments, boosting cash flow for employers and temporary relief for financially distressed businesses. Available support and eligibility requirements vary under different support programs. Please refer to <https://treasury.gov.au/coronavirus/businesses> for further information on support measures available. [Additional information](#)

For more information please refer to the grant guidelines available via the GrantConnect website: www.grants.gov.au