



COVID-19 Consumer Travel Support Program (Round Two)

30 April 2021

Frequently Asked Questions

Program Overview

1. What is the COVID-19 Consumer Travel Support Program?

The COVID-19 Consumer Travel Support Program provides eligible travel agents, inbound tour operators and tour wholesalers with financial payments to assist these businesses to continue to trade and process refunds and credits to Australian consumers for travel they were unable to undertake due to the impacts of the pandemic.

There are two rounds under the COVID-19 Consumer Travel Support Program:

Round One (closed 13 March 2021): On 1 December, the Australian Government announced an initial round of \$128 million for the program. Applications were open from 14 December 2020 to 13 March 2021. In the first round, one off payments ranged from a minimum payment of \$1,500 to \$100,000 depending on the turnover of the business. Exceptional circumstance claims continue to be assessed.

Round Two (applications open 2 May 2021): On 11 March 2021, the Australian Government announced a second round of \$130 million to provide further assistance to travel agents and tour operators. In Round Two, one off payments are scaled ranging from a minimum payment of \$7,500 to \$100,000 depending on the turnover of the business.

The COVID-19 Consumer Travel Support Program Rounds One and Two are designed as a temporary measure and are not intended to provide long term support.

2. Why is this support being provided?

The Government is providing a second round of support for travel agents, inbound tour operators and tour wholesalers to help deal with the continued economic impact COVID-19 pandemic is having on this sector. Funding aims to assist these businesses to continue to trade and process refunds and credits to Australian consumers for travel they were unable to undertake due to the impacts of the pandemic.

3. Who is eligible to apply for a grant under Round Two?

- Businesses must meet all eligibility requirements from Round One and have received a Round One payment to be eligible for Round Two of the Program, unless an exceptional circumstances decision applies.
- You must be able to declare that no part of the turnover figure used to calculate your Round One payment was based on TTV*.

- For businesses with a G1 figure of \$500,000 or more, an additional financial verification by Austrade will confirm that TTV was not the basis for your Round One payment.

***Applications will also be considered under the following exceptional circumstances:**

- The turnover used to determine the Round One payment will be the basis of any Round Two payment. If the figure on the G1 of your BAS does not reflect your business' actual turnover for the reporting period, you may be considered for exceptional circumstances for Round One. We will not be able to reverse decisions already made through Round One exceptional circumstances reviews in Round Two.
- Businesses found to have received a payment based on TTV in Round One that was less than they would otherwise have received if the payments for Round One and Two were calculated on turnover, will be able to lodge an exceptional circumstances claim for the difference. (See 11 below.)

Applicants seeking exceptional circumstances due to the above situations in Round Two should email consumertravelsupport@austrade.gov.au and provide further details.

If your business was paid a grant under Round One, to be eligible under Round Two, all applicants must also:

- Sign an e-declaration (as part of the online application form) that:
 - You have been eligible for, and received a Round One payment;
 - Your business' Round One turnover figure was not based on TTV; and
 - Your business is solvent and intends to continue to operate for the April to June 2021 quarter, (refer to "Declaration of Solvency" at 4 below); and
 - You will make best endeavours to retain your staff; and to meet your obligations to process refunds and travel credits to Australian consumers.
- Confirm the information you have provided is complete and correct;
 - If your declaration is false then any overpayment will be recovered.
 - Giving false or misleading information is a serious offence under the [Criminal Code 1995](#).

The flowchart at Figure 1.0 will assist potential applicants to determine their eligibility. Please refer to the COVID-19 Consumer Travel Support Program Round Two Guidelines for final eligibility criteria on GrantConnect.

4. What is a Declaration of Solvency?

In order to be eligible for a Round Two payment under the Program, you must declare that to the best of your knowledge and belief, after undertaking all reasonable inquiries, your business is solvent and trading as of the date of the declaration, and will be able to pay all of its debts when they fall due and payable. Full details are provided in the Round Two Guidelines.

5. My business has multiple outlets operating under a single ABN. Can I be paid per outlet rather than per ABN?

A decision on multi-outlet businesses will be made shortly.

6. For the purpose of this Grant, how do you define TTV?

TTV (Total Transaction Value) is the cumulative value of all transactions received by the business, including air tickets, cruise fares, accommodation, car hire, tours and other related travel services booked by the agent. TTV includes amounts collected on behalf of, and are

payable to, the principal (such as airlines, accommodation providers and other third-parties). This does not represent the income of the business that provides the services. It is also not taxable income for business purposes.

7. For the purpose of this Grant, how do you define turnover?

For the purposes of this grant program, turnover is not TTV.

Turnover is total business income (not profit), minus any:

- a) GST included in sales to your customers
- b) sales that are not for payment and are not taxable
- c) sales not connected with an enterprise that is part of your business (for example, sale of a private car)
- d) input-taxed sales you make (for example, bank interest)
- e) amounts collected on behalf of, and are payable to, the principal (for example, amounts collected on behalf of airlines and other third-parties)

For most Travel Agent businesses, the commission/ gross profit earned minus points a) to e) will be reflective of their turnover.

Case Study Example:

ABC Co, an entity in Australia, sells domestic and international tour packages, airline tickets, and other tour products for local and international customers. For the COVID-19 Consumer Travel Support Grant, ABC Co's turnover includes:

- *Commissions received as agent*
- *Rebates and overrides*
- *Sales service charges*
- *Lease income (if applicable)*

The following amounts will not be included in ABC Co's turnover for the grant:

- *Interest received*
- *Foreign exchange gains*
- *Dividends*
- *Employee-FBT contributions*
- *Government subsidies, rebates and grants*
- *Cost of sales and purchases*

Note that this case study is for reference only and may not take into account your individual circumstances. Applicants should seek independent advice regarding their tax and reporting responsibilities.

8. How much will my grant payment be?

Under Round Two, grant payments will range from a minimum of \$7,500 to a maximum of \$100,000. Grants will be based on the eligible turnover amount as determined under Round One.

Payment tiers under Round Two are set out below.

Turnover under Round One (calendar year 2019) is between		Potential grant amount (subject to eligibility)
\$50,000	\$99,999	\$7,500
\$100,000	\$199,999	\$15,000
\$200,000	\$299,999	\$25,000
\$300,000	\$399,999	\$37,500
\$400,000	\$499,999	\$45,000
\$500,000	\$999,999	\$50,000
\$1,000,000	\$1,999,999	\$62,500
\$2,000,000	\$2,999,999	\$75,000
\$3,000,000	\$20,000,000	\$100,000

At the end of Round Two, consideration will be given to distributing any leftover monies to eligible businesses.

9. Will I be issued a new Tax Certificate by the ATO for Round Two?

No, there is no need for an ATO Certificate. The turnover used to determine the Round One payment will be the basis of any Round Two payment, taking into account the outcome of claims for exceptional circumstances.

10. I did not apply under Round One of the COVID-19 Consumer Travel Support Program, or I applied and was not successful. Am I eligible for a payment under Round Two?

Only those who applied and were found eligible under Round One can apply under Round Two, taking into account the outcome of claims for exceptional circumstances.

11. I reported TTV, but I would have received more if I had reported my turnover and received a payment for both Rounds One and Two.

A key element of the Round Two design is to help address the variance in grant amounts between some applicants due to their G1 reporting method.

In most cases, if you were paid based on TTV, your Round One grant amount should have been greater than if you received two payments based on Turnover.

If this isn't the case, please email consumertravelsupport@austrade.gov.au and let us know immediately. Subject to eligibility, you will be able to lodge an exceptional circumstances claim for the difference.

12. When will my exceptional circumstance review be finalised?

Austrade is considering claims for exceptional circumstances in the order they have been received by us. We cannot provide an estimated date for individual cases to be finalised, as each case is different. We anticipate the vast majority of exceptional circumstance cases will be finalised over coming weeks.

13. I have a pending exceptional circumstance review under Round One of the COVID-19 Consumer Travel Support Program. Am I eligible under Round Two?

The turnover used to determine the Round One payment will be the basis of any Round Two payment.

Once your Round One exceptional circumstance review has been finalised you should then claim for Round Two.

14. Can I still put in a claim for exceptional circumstances under Round One?

Most exceptional circumstance claims will already have been received.

However, if the figure on the G1 of your BAS does not reflect your actual business turnover, there is a limited opportunity to still put in a claim for exceptional circumstances under Round One. You should email consumertravelsupport@austrade.gov.au without delay.

A final date for exceptional circumstances claims to be received from applicants will be advised shortly.

15. How do I apply for Round Two?

Applications are to be submitted via Services Australia's [Business Hub](#).

Further information is available on the [Services Australia website](#) and via the [Austrade Website](#).

16. When do applications open and close?

Applications for Round Two open on 2 May 2021 and will be accepted up until 11:59 PM (AEDT) 12 June 2021.

Making Changes to Applications

17. Can I change my G1 figures?

In accordance with ATO regulations, you are allowed to change the G1 figures in your BAS for tax purposes only. It is your responsibility to ensure that all sections of your BAS are up to date with the correct and true information. If you need to amend your BAS for tax purposes please contact the ATO on 13 28 66.

Applying for Exceptional Circumstances

18. Can I apply for exceptional circumstances to be considered under Round Two?

Most equity issues will have been dealt with under exceptional circumstances in Round One, and we anticipate only a small number of specific cases will warrant exceptional circumstances consideration under Round Two. For example:

- Businesses paid a grant based on TTV in Round One, but who would have received a higher combined payment under Round One and Round Two had they received a payment under both Rounds based on Turnover.

Exceptional circumstance requests should be directed via email only to consumertravelsupport@austrade.gov.au.

19. Why did the amount I received under Round One differ from another business which I feel is of similar size?

There are a range of different ways that travel agents can report on G1 in their BAS. This varies among businesses depending on their individual tax arrangements and business structures.

In a limited number of cases, this has created discrepancies in grants between businesses of a similar size.

As a result of feedback received through Round One of the Program, several adjustments have been made as part of Round Two, to help address equity issues.

These include tailoring Round Two eligibility, in consultation with industry, and continuing to enable businesses to request an exceptional circumstances review if their individual situation does not exactly align with the program guidelines.

20. Is a request to have my grant assessed using TTV over another reporting method considered an exceptional circumstance?

Any requests seeking to have TTV considered will not be considered under the exceptional circumstances provision.

The intent of the program remains that grants will be wherever possible assessed and paid based on turnover (as defined as at FAQ 7.0 and Section 12 of Round Two Guidelines) as reported in G1 as at 14 December 2020.

21. What is the difference between an audit, a financial verification, and an exceptional circumstances claim?

An audit is undertaken by the ATO to ensure the amount on your G1 line aligns with the Tax Certificate issued in Round One.

A financial verification is an additional review conducted by Austrade subject matter experts for businesses with a G1 figure of \$500,000 or more, to confirm that TTV was not the basis for your Round One payment.

Exceptional Circumstance claims, like in Round One will be conducted by Austrade for any unique circumstances that require detailed consideration to reach a decision that aligns with the intent of the Program.

Scam/Phishing Attacks

22. What do I do if I receive a suspicious or threatening call from Austrade or Services Australia?

There have been reports of [phishing attacks and other scams](#) regarding the COVID-19 Consumer Travel Support Program. These include calls, emails or voicemail messages to travel agents saying that they are being pursued for fraud by Services Australia or Austrade.

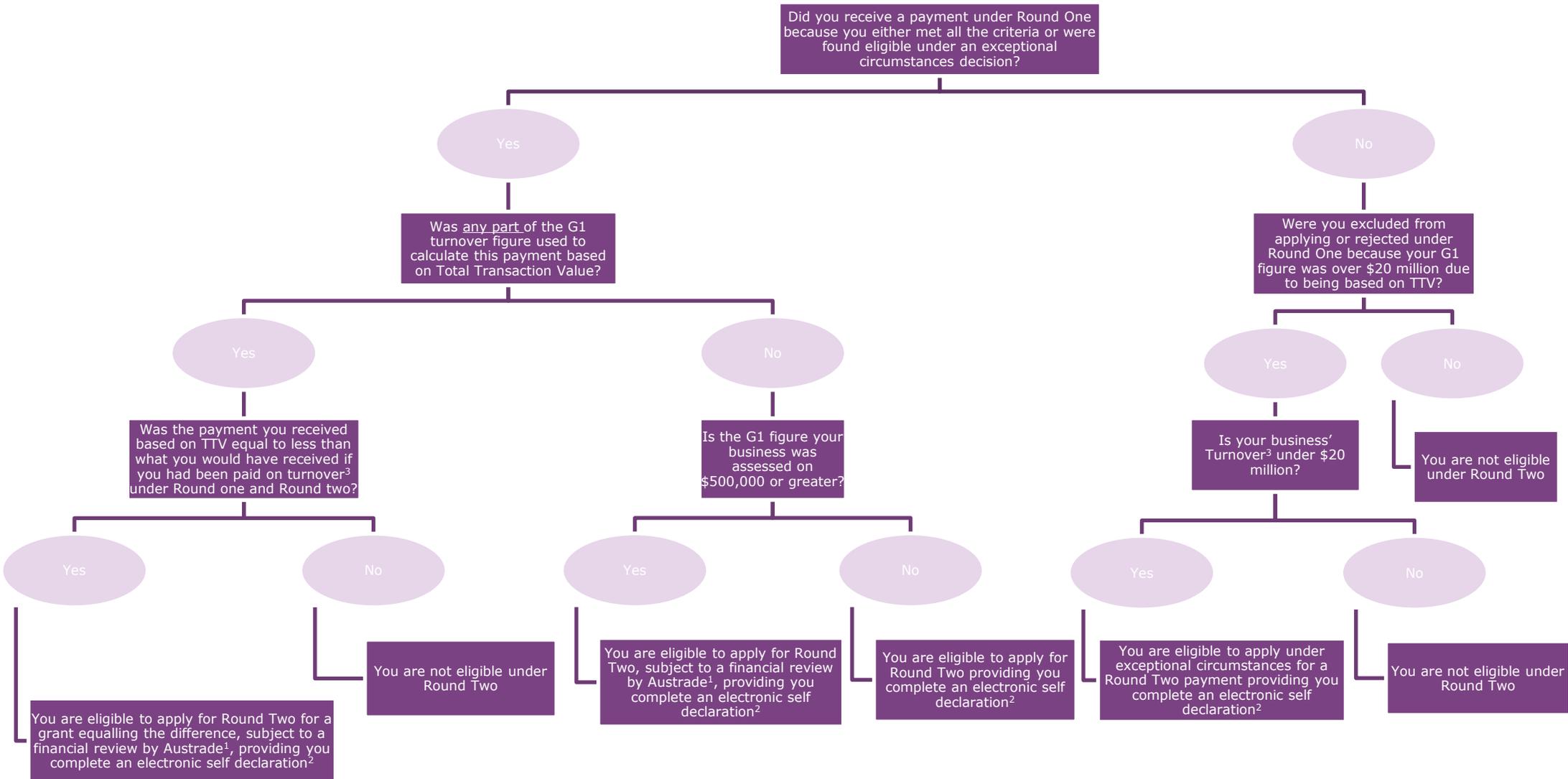
If you have any suspicion that something is a scam, contact the Services Australia Scams and Identify Theft Helpdesk on 1800 941 126 or reportascam@servicesaustralia.gov.au. Services Australia staff can offer support and advice on what steps to take following a scam.

If in doubt, contact the Services Australia Helpdesk. Never provide your user credentials or personal details and never click on a link to see where it goes.

Need to get in touch?

Enquiry	Contact
Application or system support issues	Services Australia 1800 560 744
Australian tax enquiries	Australian Tax Office 13 28 66 Between 8:00am and 5:00pm, Monday to Friday
General Tourism Enquires	Austrade Tourism Recovery tourism@austrade.gov.au
CTSP Round Two Enquiries (including exceptional circumstance requests)	consumertravelsupport@austrade.gov.au
Report a scam/phishing attack	Services Australia Scams and Identify Theft Helpdesk 1800 941 126 reportascam@servicesaustralia.gov.au

Figure 1.0 - Round Two Eligibility Flow Chart



Glossary

¹ **FINANCIAL REVIEW BY AUSTRADE INVOLVES:**

- Providing an authorised Austrade review officer with sufficient evidence that demonstrates that no amount of the turnover you declared, and were paid on, under Round One was based on Total Transaction Value.
- Review officers may request:
 - Your BAS certificate
 - Your businesses financial data / Profit and Loss
 - Signed or sighted documents or declarations from a CPA registered accountant.
 - Any other information relevant to assessing your eligibility for a payment under Round Two.

² **APPLICANTS MUST BE ABLE TO MAKE AN E-DECLARATION THAT:**

- You have been eligible for, and received a Round One payment
- Your business' Round One turnover figure was not based on TTV
- Your business is solvent and intends to continue to operate for the April to June 2021 quarter, (refer to "Declaration of Solvency" below)
- You will make best endeavours to retain your staff; and to meet the business' obligations to process refunds and travel credits to Australian consumers.

³ **"TURNOVER" AS DEFINED BY SECTION 12 OF THE PROGRAM'S ROUND TWO GUIDELINES IS TOTAL BUSINESS INCOME (NOT PROFIT), MINUS ANY:**

- a) GST included in sales to your customers
- b) sales that are not for payment and are not taxable
- c) sales not connected with an enterprise that is part of your business (for example, sale of a private car)
- d) input-taxed sales you make (for example, bank interest).
- e) amounts collected on behalf of, and are payable to, the principal (for example, amounts collected on behalf of airlines and other third-parties)