Latrobe Valley economic growth zone Incentive fund

1. Background

The Latrobe Valley Authority (LVA) was established to bring together local people, councils, industry, education providers and governments to secure the economic future of the Latrobe Valley. The LVA is proactive in identifying opportunities for growth in the Latrobe Valley Region.

The Economic Growth Zone Incentive Fund (the Fund) is a Victorian Government initiative to make it easier, faster and less costly to do business in the Latrobe Valley Region. The Fund supports activities that will bring in people and jobs and improve the life of community members.

The objectives of the Fund are:

* to create a better business environment for the Latrobe Valley; and
* to make it easier, faster and less costly to establish or expand businesses in the Latrobe Valley.

The LVA administers the $50 million Fund to provide financial incentives for establishing or expanding business within the Latrobe Valley Region.

1. Business Reimbursement

This scheme offers reimbursement of State and Local Government fees and charges paid by businesses to start a new business or expand an existing one which leads to increased job opportunities in the Region. Reimbursements may apply to the following fees and charges:

* planning application fees, licensing application fees, permit charges and environmental approval fees; and
* land transfer duties for property transactions associated with business starts or expansion of existing activity; and
* stamp duty on vehicles where the vehicle purchase is linked directly to new jobs.

These incentives will help local businesses in the Latrobe Valley Region by removing some of the financial barriers to set up and expansion. It will also make doing business in the Latrobe Valley more attractive, creating new jobs in the process.

1. Reimbursement Details

The scheme accommodates three types of transactions:

* Land transfer duty reimbursement made to the State Revenue Office
* Fees and charges reimbursements made to State Government
* Fees and charges reimbursements made to Local Government
	1. Land Transfer Duty

The LVA will reimburse land transfer duty on property purchases made by new or expanding businesses within the Latrobe City, Baw Baw Shire and Wellington Shire council areas. Eligible businesses are expected to remain in the region supporting economic activity in the Latrobe Valley not just now but for years to come. This economic activity is intended to expand job opportunities in the Valley.

Payment of land transfer duties will be provided in two ways following full payment by the business to the State Revenue Office:

* Land purchases (related to the construction of a new business), half of the land transfer duties cost may be reimbursed up front. If the property is still held by the new business after six months, the second half will be paid
	+ If the property is on sold within six months, the first instalment of the reimbursement must to be returned to the LVA
	+ If the business remains in the establishment phase after six months, the LVA may review eligibility or delay the second payment
* Purchases of existing commercial premises, the land transfer duty cost may be reimbursed in one payment. If the property is on sold within six months, the reimbursement must to be returned to the LVA.

The LVA will decide on a case by case basis to provide a single or staged payments.

Applications will need to demonstrate that:

* the property is located within the Latrobe City, Baw Baw Shire or Wellington Shire Council areas
* the property is for business purposes
* the intent of the owner is to establish a new business or expand an existing business within the region that creates new jobs
* the business has formed and will operate within 12 months of the property purchase unless otherwise agreed by the LVA; and
* the purchase contract for the property was executed on or after 4 November 2016 and on or before 3 November 2020.
	1. Fees and Charges

The LVA will reimburse fees and charges incurred by businesses establishing or expanding their operations in the Latrobe Valley Region. Eligible fees and charges may include planning application fees, licensing application fees, permit charges and environmental approval fees. Other fees and charges will be considered on a case by case basis. Ongoing costs are not eligible for reimbursement.

Applicants must demonstrate that the costs to be reimbursed:

* were paid by the business to either the Latrobe City, Baw Baw Shire or Wellington Shire Councils or the Victorian Government
* are eligible as approved by the LVA; and
* were incurred on or after 4 November 2016 and on or before 3 November 2020.

Applicants are required to demonstrate payment of all duties, fees and charges related to the establishment or expansion of a business activity before they are eligible to seek reimbursement under the scheme. Ongoing fees and charges will not be considered for reimbursement under this scheme.

1. Who can Apply

A business is defined as a registered entity with an Australian Business Number (ABN) or Australian Company Number (ACN). Registered businesses can apply for all three payment types available under the scheme.

Not for profit organisations, community groups or individuals are not eligible for assistance under this scheme.

1. Eligibility

An eligible business is one that is establishing a business or expanding an existing one within the Latrobe Valley Region. In order to be eligible for reimbursement, businesses will need to demonstrate:

* a capacity to create new jobs
* a capacity to improve the productivity of the region
* a capacity to improve the long term competitiveness of the region; and
* that it has incurred land transfer duties or other Victorian or Local Government fees and charges in the process of establishing the new business activity.

Business expansion is defined for the purpose of this scheme as:

* growth in turnover
* growth in job numbers; and
* improved business sustainability

For the purposes of the Scheme, new jobs include casual, fixed term, part time or full time positions that are:

* additional to the existing employee profile, and
* remunerated in accordance with the relevant Award.
1. Definition of Latrobe Valley Region

The Latrobe Valley Region includes the Latrobe City, Baw Baw Shire and Wellington Shire Council areas. Applications from other impacted communities in the Region may be considered if significant economic benefit to the Latrobe Valley can be demonstrated.

1. Reimbursement Process

There are five steps to the reimbursement process:

1. Discuss your application with LVA staff who will advise you of eligibility and the requirements for supporting evidence.
2. You lodge an application with the LVA accompanied by supporting evidence.
3. The LVA will consult with relevant government agencies and undertake standard business checks.
4. The LVA will assess your application and may request an interview with you to confirm supporting evidence.
5. You will be notified of a decision.
6. Conditions of Reimbursement
	1. Provision of Evidence

Businesses seeking reimbursement of land transfer duty and/or fees and charges will be required to provide evidence that confirms they are a new or expanding business within the Latrobe Valley Region. This evidence includes but is not limited to:

* the information provided in the application detailing the business establishment or expansion and expected jobs growth
* tax receipts or other evidence of payment of all claimed fees and charges
* in the case of complex property transactions, evidence of the business structure and connections may be requested

Where a property is purchased:

* a copy of the State Revenue Office “Statement of Duty and Land Transfer”
* a copy of the current Certificate of Title
* a copy of the contract of sale of the property
* a copy of the “Notice of Acquisition” of the property

A tax invoice alone is not sufficient evidence of payment.

* 1. Payments

Payments will be made by the LVA once an application is approved.

* 1. Evaluation

Successful applicants may be contacted by the LVA to assist with an evaluation of the scheme after the initial payment.

* 1. Acknowledgement

In some instances, successful applicants may be asked to acknowledge Victorian Government support under the Latrobe Valley Economic Growth Zone Incentive Fund.

* 1. Privacy

Any personal information about you or a third party in the application will be collected by the LVA which is part of the Victorian Department of Premier and Cabinet (DPC) for the purpose of the Scheme’s administration. This information may be provided to other Victorian Government agencies for the purpose of assessing your application. If you intend to include personal information about third parties in your application, please ensure they are aware of the contents of this privacy statement. The Department’s privacy policy is available from http://www.dpc.vic.gov.au/index.php/privacy.

Any personal information about you or a third party in your correspondence will be collected, held, managed, used, disclosed or transferred in accordance with the provisions of the [***Information Privacy Act 2000 (Vic)***](http://www.rdv.vic.gov.au/information-privacy-act-2000-vic)and other applicable laws. DPC is committed to protecting the privacy of personal information. Enquiries about access to information about individuals held by DPC are available from http://www.dpc.vic.gov.au/index.php/privacy

1. Further Information

**For more information, contact the Latrobe Valley Authority.**

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