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AusIndustry

Welcome to AusIndustry's Automotive Newsletter. As you are aware the Automotive Competitiveness & Investment Scheme (ACIS) is drawing to a close and its replacement program the Automotive Transformation Scheme (ATS) is up and running.

In this newsletter we will be covering:

- ATS Quarter 1, 2011 Return – Information deadline.
- ATS Quarterly Return - Investment Summary
- ATS Quarterly Return – Extension of Time provisions
- ATS – Bank Details
- ATS Quarterly Return Adjustments and an
- ACIS Update

We trust this newsletter provides you with valuable information regarding our Automotive program.

Stephen Stoddart
National Automotive Manager

ATS Quarter 1, 2011 Quarterly Return Deadline

All registered ATS participants must lodge a Quarterly Return within 45 days after the end of each quarter. Quarterly Returns must be lodged irrespective of whether any sales or production were achieved or investment was made in that quarter.

The Quarter 1, 2011 Quarterly Return, including the Investment Summary, must be lodged by **16 May 2011**.

Quarterly Return Investment Summary

ATS participants must provide a summary of all P&E and R&D investment claims incurred in the quarter with every Quarterly Return. The investment summary must correlate with the claims made in the Quarterly Return against each of the types of investment.

Example: *\$20,000 (quarter) R&D investment excluding contracted and overseas R&D*
In support of its claim, a participant should at least include in its investment summary:

- a list of relevant employees,
- R&D activities and projects, hours claimed and
- Any other costs that equate to the value of the claim.

Any assumptions the participant has made in calculating the claim should also be included in the Investment Summary.

The investment summary cannot be lodged online and the Quarterly Return will not be considered complete until the investment summary has been received by AusIndustry.

The investment summary can be sent by email to ats@innovation.gov.au or by post to: Automotive Section, AusIndustry, GPO Box 85, Melbourne VIC 3000. A hard copy may also be submitted during business hours at any AusIndustry office.



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Extension of Time to Submit Quarterly Return

In special circumstances, AusIndustry may allow a participant an extension of time to submit an *ATS Quarterly Return* form. AusIndustry will determine whether special circumstances, referred to in subregulation 3.1(1) of the *Automotive Transformation Scheme Regulations 2010*, exist on a case by case basis. Participants should refer to the [Special Circumstances for an Extension of Time to Lodge a Quarterly Return Fact Sheet](#) on the AusIndustry website. It provides the details on circumstances which AusIndustry is likely to accept an application in writing for an extension of time to lodge a return more than 45 days after the end of the quarter, and what is required in the application.

As a first step, participants are advised to contact their Customer Service Manager to discuss their circumstances.

A request for an extension of time must be made in writing and lodged prior to or within a reasonable time after 45 days after the end of the quarter. It must be signed by the participant's authorised primary contact for the scheme and can be sent as an email attachment to ats@innovation.gov.au or by post to:

Automotive Section
AusIndustry
GPO Box 85
Melbourne VIC 3000.

A hard copy may also be left during business hours at any AusIndustry office.

Bank Account Details

The Automotive Transformation Scheme is a cash payment scheme. Once a Quarterly Return is lodged, AusIndustry will process the return and payment will be made directly into the ATS participant's bank account.

Under subregulation 3.14(1) of the *Automotive Transformation Scheme Regulations 2010*, payment of assistance may only be made to an ATS participant. As such, AusIndustry will only accept the bank account details of the participant.

If you have not already provided AusIndustry with your bank account details please contact your Customer Service Manager before 15 May 2011.

Sold Investment in Quarterly Returns

ATS participants must declare in their Quarterly Returns all sales of allowable P&E and allowable R&D that is sold within three years of being purchased; that is, during the *rolling average* period in which assistance is being paid on it.

Participants must declare the amount of investment that had been originally claimed, the quarter in which it was claimed and the amount of any other Commonwealth assistance that may have been paid in respect of that investment. AusIndustry will remove the claimable amount from the calculation of assistance.

A description of the P&E and R&D sold should also be provided in a separate document to your Customer Service Manager.



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Quarterly Return Adjustments

Under Regulation 3.7 of the *Automotive Transformation Scheme Regulations 2010*, ATS participants may include, in their Quarterly Return, production, sales or investment that they failed to claim in a previous quarter in the **same** ATS year.

In Quarter 1 2011, ATS participants will be unable to claim any missed production, sales or investment from a previous period as it is the first quarter of a new ATS year.

Please also note that **only missed** production, sales or investment may be included in a Quarterly Return. If you have discovered that investment was **over claimed** in a previous quarter, you must not deduct the over claimed amount in a current or future quarter. Please contact your Customer Service Manager if you need to reduce a previous claim.

ACIS Update

The Automotive Competitiveness and Investment Scheme has now completed its final quarterly return process.

Please be aware that duty credits have an expiry date of **31 December 2011**. Any duty credits unused after this date will be deemed to have expired and will have no financial value. ACIS duty credits cannot be used to offset import tax liabilities at the Australian Customs and Border Protection Service in 2012.

AusIndustry is concluding a small number of compliance/audit activities and these are expected to be completed by 30 June 2011. ACIS participants that have compliance activities pending should be aware that should an Unearned Credit Liability arise from these activities, the preferred method of repayment is by way of duty credits.

ATS Contacts

Customer Service Managers are the ATS Participant's primary contact point for all ATS enquiries and can provide information and guidance on the scheme and guidelines, general procedural advice and information on other Government Assistance.

Participants in all States, can contact their ATS Customer Service Manager at:

GPO Box 85
MELBOURNE VIC 3001
Phone: 03 9268 7555
Fax: 03 9268 7966
Email: ats@innovation.gov.au

All documents, forms and other information regarding ATS are available on the AusIndustry website: www.ausindustry.gov.au/ats