



mitchell & co
CHARTERED ACCOUNTANTS

EMDG February 2021 Update – Words of Wisdom from Doris Day

Well time for another newsletter.

2019/2020 EMDG applications

The gate is almost shut on 2020 EMDG applications, that is for the period ended June 30th, 2020.

The old rules apply, no export earnings required and guaranteed grant entitlement up to \$100,000.

These applications **MUST** be prepared, finalised, and lodged by March 2nd. No ifs, no buts, no extension- the excuse my dog ate my homework will just not work.

Some clients are yet to send their information into us, yes you know who you are. Your records must be sent to us by **9.00am Monday 15th February 2021** to ensure we have time to get things down. If we do not get your records by that date, we cannot guarantee that we can submit your application.

If we have started your application and we need something from you to finish or lodge your application, please also send in what we are asking for by Monday 9.00 am as well.

The Austrade lodgement portal in fact has been very unstable with numerous outages (more than you would expect from Telstra), so our risk management strategy is simple. We do not lodge applications on the last day. We close off lodgement Monday March 1st at the very latest.

2020/2021 Applications - Old EMDG

This will be the last under old rules. Application numbers will be well down of course – no travel. The Minister is yet to determine if the earnings test removed for 2020 applications will be reinstated. We think not. No need to worry yet, these applications can be lodged from July 1, 2021.

2021/2022 Applications - New EMDG

As with 2020/2021, it is planned that clients will be able to lodge such applications from July 1, 2021. So you will be looking to the past, as well as the future for EMDG, crystal ball time.

The new scheme is not prepayment. It is only pre-approval.

I have previously reported on numerous short comings about the new scheme. My views are unchanged, all exporters will be worse off under the New rules. Some plans/ideas on how things are proposed to operate are simply unworkable and exporter uncertainty has increased.

However, they will happen. The legislation is now law.

In the words of Doris Day, the US singer/actress of the 60's – the USA's answer to the UK Poet Laureate of her time – sang some very profound advice to all EMDG applicants (youngsters out there -just Google Doris Day – Que

sera, sera...) follows:

**“Que sera, sera
Whatever will be, will be
The future’s not ours to see
Que sera, sera
What will be, will be”.**

EMDG will be what the government and bureaucracy want it to be!

The “New” EMDG roll out has been delayed, Austrade are behind in their timetable to do so. It’s actually a very big ask to turn EMDG on its head after over 47 years of the scheme working well.

The Rules to underpin the new legislation need to be tabled in Federal Parliament for 15 sitting days before they become law, that was planned to happen by now, it could still be any day, but I think maybe now delayed to the March sittings, but you never know, *que sera, sera!*

The date that grant pre-approval bids for EMDG support can be submitted and in what form or fashion is not yet known.

Once we complete our 2020 lodgement cycle this month and hear from Austrade we will be touch again as more details become known – Mid March as our best guess.

All the best,

Stuart & Team