



**Authorised Non-operating Holding
Companies Supervisory Levy Imposition
Act 1998**

No. 52, 1998



**Authorised Non-operating Holding
Companies Supervisory Levy Imposition
Act 1998**

No. 52, 1998

**An Act to impose a levy on authorised
non-operating holding companies**

Contents

1	Short title.....	1
2	Commencement.....	2
3	Act binds the Crown.....	2
4	External Territories.....	2
5	Definitions.....	2
6	Imposition of authorised non-operating holding companies supervisory levy	3
7	Amount of levy.....	3
8	Calculation of indexation factor	4
9	Regulations.....	4



Authorised Non-operating Holding Companies Supervisory Levy Imposition Act 1998

No. 52, 1998

An Act to impose a levy on authorised non- operating holding companies

[Assented to 29 June 1998]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Authorised Non-operating Holding
Companies Supervisory Levy Imposition Act 1998*.

Section 2

2 Commencement

- (1) This Act commences on the commencement of the *Australian Prudential Regulation Authority Act 1998*.
- (2) If this Act commences during a financial year (but not on 1 July of that financial year), this Act has effect in relation to that financial year subject to the modifications specified in the regulations.

3 Act binds the Crown

This Act binds the Crown in each of its capacities.

4 External Territories

This Act extends to each external Territory.

5 Definitions

In this Act, unless the contrary intention appears:

authorised NOHC has the same meaning as in the *Banking Act 1959*.

Note: NOHC is short for non-operating holding company.

indexation factor means the indexation factor calculated under section 8.

index number, in relation to a quarter, means the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published by the Australian Statistician in respect of that quarter.

levy imposition day, in relation to an authorised NOHC for a financial year, means:

- (a) if the authorised NOHC is an authorised NOHC on 1 July of the financial year—that day; or

- (b) in any other case—the day, during the financial year, on which the authorised NOHC becomes an authorised NOHC.

statutory upper limit means:

- (a) in relation to the first financial year that ends after this Act commences—\$500,000; or
- (b) in relation to a later financial year—the amount calculated by multiplying the statutory upper limit for the previous financial year by the indexation factor for the later financial year.

6 Imposition of authorised non-operating holding companies supervisory levy

Levy payable in accordance with subsection 8(2) of the *Financial Institutions Supervisory Levies Collection Act 1998* is imposed.

7 Amount of levy

- (1) Subject to subsection (2), the amount of levy payable by an authorised NOHC for a financial year is the amount determined in writing by the Treasurer for the purpose of this section in relation to the financial year. The amount determined must not exceed the statutory upper limit as at the time when the determination is made.
- (2) If the levy imposition day for the authorised NOHC for the financial year is later than 1 July in the financial year, the amount of levy payable by the authorised NOHC for the financial year is the amount worked out using the following formula:

$$\frac{\text{The amount worked out under subsection (1)}}{\text{The number of days in the financial year}} \times \left(1 + \frac{\text{The number of days in the financial year after the levy imposition day}}{\text{The number of days in the financial year}} \right)$$

Section 8

- (3) A determination under subsection (1) is a disallowable instrument for the purposes of section 46A of the *Acts Interpretation Act 1901*.

8 Calculation of indexation factor

- (1) The indexation factor for a financial year is the number worked out by dividing the index number for the March quarter immediately preceding that financial year by the index number for the March quarter immediately preceding that first-mentioned March quarter.
- (2) The indexation factor is to be calculated to 3 decimal places, but increased by .001 if the 4th decimal place is more than 4.
- (3) Calculations under subsection (1):
- (a) are to be made using only the index numbers published in terms of the most recently published reference base for the Consumer Price Index; and
 - (b) are to be made disregarding index numbers that are published in substitution for previously published index numbers (where the substituted numbers are published to take account of changes in the reference base).

9 Regulations

The Governor-General may make regulations for the purposes of subsection 2(2).

*[Minister's second reading speech made in—
House of Representatives on 26 March 1998
Senate on 13 May 1998]*

(34/98)
