



Aged Care (Bond Security) Levy Act 2006

No. 27, 2006

**An Act relating to the imposition of levies in respect
of certain obligations to refund bond balances, and
for related purposes**

Note: An electronic version of this Act is available in ComLaw (<http://www.comlaw.gov.au/>)

Contents

1	Short title	1
2	Commencement	2
3	Application of this Act	2
4	Binding the Crown	2
5	Definitions	3
6	Regulations may impose levy	3
7	Rate of levy	4
8	Maximum rate of levy	4
9	Levy may discriminate between classes of approved providers.....	4
10	Regulations	4



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**An Act relating to the imposition of levies in respect
of certain obligations to refund bond balances, and
for related purposes**

[Assented to 6 April 2006]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Aged Care (Bond Security) Levy Act 2006*.

Section 2

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 and 2 and anything in this Act not elsewhere covered by this table	The day on which this Act receives the Royal Assent.	6 April 2006
2. Sections 3 to 10	At the same time as Schedule 5 to the <i>Aged Care Amendment (2005 Measures No. 1) Act 2006</i> commences.	31 May 2006

Note: This table relates only to the provisions of this Act as originally passed by the Parliament and assented to. It will not be expanded to deal with provisions inserted in this Act after assent.

- (2) Column 3 of the table contains additional information that is not part of this Act. Information in this column may be added to or edited in any published version of this Act.

3 Application of this Act

- (1) This Act applies in all the States and Territories.
- (2) However, this Act does not apply in any external Territory.

4 Binding the Crown

- (1) This Act binds the Crown in each of its capacities.
- (2) This Act does not make the Crown liable to be prosecuted for an offence.

5 Definitions

In this Act:

approved provider has the meaning given by the Dictionary in Schedule 1 to the *Aged Care Act 1997*.

bond balance has the same meaning as in the *Aged Care (Bond Security) Act 2006*.

costs recoupment determination means:

- (a) a refund costs recoupment determination within the meaning of the *Aged Care (Bond Security) Act 2006*; or
- (b) an administrative costs recoupment determination within the meaning of that Act.

default event declaration has the same meaning as in the *Aged Care (Bond Security) Act 2006*.

levy means levy imposed by regulations under section 6.

outstanding bond balance has the same meaning as in the *Aged Care (Bond Security) Act 2006*.

6 Regulations may impose levy

- (1) If a costs recoupment determination specifying a default event declaration has been made, the regulations may impose a levy in respect of the refund obligations of approved providers relating to the default event declaration.
- (2) For the purposes of subsection (1), the **refund obligations of approved providers** relating to a default event declaration is the set of obligations that the approved providers would have had, at the start of the day that was 10 days before the day on which the default event declaration was made, to refund bond balances if it were assumed that at that time the bond balances became outstanding bond balances.

7 Rate of levy

The rate of the levy is worked out in accordance with the regulations.

8 Maximum rate of levy

The rate of the levy is to be fixed on the basis that the amount of revenue to be raised by the levy must not exceed the costs recoupment amount specified in the costs recoupment determination, the making of which enabled the levy to be imposed.

9 Levy may discriminate between classes of approved providers

- (1) Regulations imposing a levy:
 - (a) may provide different rates (including a zero rate) of the levy for different classes of approved providers; but
 - (b) must not otherwise discriminate between different approved providers.
- (2) Regulations imposing a levy may define what constitutes a class of approved providers for the purposes of the levy, but must not define a class in such a way that the levy would discriminate between States or parts of States.

10 Regulations

The Governor-General may make regulations prescribing matters:

- (a) required or permitted by this Act to be prescribed; or
- (b) necessary or convenient to be prescribed for carrying out or giving effect to this Act.

*[Minister's second reading speech made in—
House of Representatives on 8 December 2005
Senate on 9 February 2006]*

(186/05)