



First Home Saver Account Providers Supervisory Levy Imposition Act 2008

No. 93, 2008

**An Act to impose a levy in relation to the provision
of first home saver accounts**

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

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An Act to impose a levy in relation to the provision of first home saver accounts

[Assented to 30 September 2008]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *First Home Saver Account Providers
Supervisory Levy Imposition Act 2008*.

First Home Saver Account Providers Supervisory Levy Imposition Act 2008 *No. 93, 2008*

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2 Commencement

This Act commences on 1 July 2009.

3 Act binds the Crown

This Act binds the Crown in each of its capacities.

4 External Territories

This Act extends to every external Territory.

5 Definitions

In this Act:

ADI has the same meaning as in the *First Home Saver Accounts Act 2008*.

APRA means the Australian Prudential Regulation Authority.

FHSA has the same meaning as in the *First Home Saver Accounts Act 2008*.

FHSA trust has the same meaning as in the *First Home Saver Accounts Act 2008*.

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.

leviable FHSA entity means:

- (a) a body corporate that has notified APRA in accordance with section 123 of the *First Home Saver Accounts Act 2008* and has not revoked that notice under section 123A of that Act; or
- (b) a trustee that is authorised under section 92 of that Act.

levy imposition day, in relation to a leviable FHSA entity for a financial year, means:

- (a) if the leviable FHSA entity is a leviable FHSA entity on 1 July of the financial year—that day; or
- (b) in any other case—the day, during the financial year, on which the leviable FHSA entity becomes a leviable FHSA entity.

life insurance company has the same meaning as in the *First Home Saver Accounts Act 2008*.

statutory upper limit means:

- (a) in relation to the financial year commencing on 1 July 2009—\$1,500,000; 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 first home saver account providers supervisory levy

Levy payable in accordance with subsection 8(7) of the *Financial Institutions Supervisory Levies Collection Act 1998* is imposed.

7 Amount of levy

- (1) Subject to subsection (4), the amount of levy payable by a leviable FHSA entity for a financial year is the sum of the restricted levy component and the unrestricted levy component for the financial year.

Note: For **restricted levy component**, see subsection (2). For **unrestricted levy component**, see subsection (3).

- (2) The **restricted levy component** for the financial year is:
 - (a) unless paragraph (b) or (c) applies—the amount that, for the financial year, is the restricted levy percentage of the leviable FHSA entity's asset value; or
 - (b) if the amount worked out under paragraph (a) exceeds the maximum restricted levy amount for the financial year—the maximum restricted levy amount; or

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- (c) if the amount worked out under paragraph (a) is less than the minimum restricted levy amount for the financial year—the minimum restricted levy amount.

Note: The restricted levy percentage, maximum restricted levy amount, minimum restricted levy amount and the method of working out the leviable FHSA entity's asset value are as determined under subsection (5).

- (3) The **unrestricted levy component** for the financial year is the amount that, for the financial year, is the unrestricted levy percentage of the leviable FHSA entity's asset value.

Note: The unrestricted levy percentage is as determined under subsection (5).

- (4) If the levy imposition day for the leviable FHSA entity for the financial year is later than 1 July in the financial year, the amount of levy payable by the provider for the financial year is the amount worked out using the following formula:

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

- (5) The Treasurer must, by legislative instrument, determine:
- (a) the **maximum restricted levy amount** for each financial year; and
 - (b) the **minimum restricted levy amount** for each financial year; and
 - (c) the **restricted levy percentage** for each financial year; and
 - (d) the **unrestricted levy percentage** for each financial year; and
 - (e) how a **leviable FHSA entity's asset value** is to be worked out.
- (6) An amount determined under paragraph (5)(a) as the maximum restricted levy amount must not exceed the statutory upper limit as at the time when the determination is made.
- (7) The Treasurer's determination under paragraph (5)(e) of how a leviable FHSA entity's asset value is to be worked out must:

- (a) in the case of a leviable FHSA entity that is the trustee of a trust—specify that the value is to be worked out using the total value of the assets of FHSA trusts provided by the entity; and
 - (b) in the case of a leviable FHSA entity that is an ADI or a life insurance company—specify that the value is to be worked out using the balances of all FHSAs provided by the entity.
- (8) The Treasurer’s determination under paragraph (5)(e) of how a leviable FHSA entity’s asset value is to be worked out must include, but is not limited to, a determination of the day as at which the leviable FHSA entity’s asset value is to be worked out. That day must be:
- (a) if the leviable FHSA entity was a leviable FHSA entity at all times from and including 17 March of the previous financial year to and including the following 30 June—a day in the period from and including that 17 March to and including the following 14 April; or
 - (b) if the leviable FHSA entity was not a leviable FHSA entity at all times from and including 17 March of the previous financial year to and including the following 30 June—the day after that 17 March when the leviable FHSA entity became, or becomes, a leviable FHSA entity.
- (9) A determination under subsection (5) may make different provision for different classes of leviable FHSA entity.

8 Calculation of indexation factor

- (1) The *indexation factor* for a financial year is the number worked out by:
- (a) 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; and
 - (b) adding 0.030 to the number worked out under paragraph (a).
- (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.

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- (3) Calculations under paragraph (1)(a) are to be made:
- (a) using only the index numbers published in terms of the most recently published reference base for the Consumer Price Index; and
 - (b) disregarding index numbers published in substitution for previously published index numbers (except where the substituted numbers are published to take account of changes in the reference base).

*[Minister's second reading speech made in—
House of Representatives on 4 September 2008
Senate on 17 September 2008]*

(162/08)

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2008