



AUSTRALIAN TAXATION OFFICE

STUDENT ASSISTANCE ACT 1973

Indexation factor for working out accumulated Financial Supplement debts

I, CHRISTINE WINKLER, of the Australian Taxation Office, HEREBY NOTIFY, pursuant to subsection 12ZF(7A) of the Student Assistance Act 1973, that 1.026 is the indexation factor calculated under subsection 12ZF(6) of that Act that is applicable in working out any Financial Supplement and accumulated Financial Supplement debts of a person on 1 June 2014.

In accordance with subsection 12ZF(6) of the Student Assistance Act 1973, the indexation factor is the number worked out to three decimal places using the formula:

the sum of the index number for the March 2014 quarter and the index numbers for the three immediately preceding quarters

divided by

the sum of the index number for the March 2013 quarter and the index numbers for the three immediately preceding quarters,

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

$$\begin{aligned}
\text{Indexation factor for 1 June 2014} &= \frac{\text{Mar14+Dec13+Sep13+Jun13}}{\text{Mar13+Dec12+Sep12+Jun12}} \\
&= \frac{105.4 + 104.8 + 104.0 + 102.8}{102.4 + 102.0 + 101.8 + 100.4} \\
&= 417 \text{ divided by } 406.6 \\
&= 1.026 \text{ (to three decimal places)}
\end{aligned}$$

The indexation factor is 1.026 and the effective percentage increase is 2.6%.

Dated this 5th day of May 2014

Christine Winkler