Family Law (Superannuation) (Interest Rate for Adjustment Period) Determination 2006

Family Law (Superannuation) Regulations 2001

I, PETER COLIN MARTIN, Australian Government Actuary:

(a) acting under subregulation 45D (3) of the *Family Law (Superannuation) Regulations 2001*, determine that the interest rate for the adjustment period, being the financial year beginning on 1 July 2006, is 0.070; and

(b) acting under subregulation 45D (4) of those Regulations, determine that the method set out in Schedule 1 is the method for calculating the interest rate for an adjustment period of less than 12 months that begins and ends in the financial year beginning on 1 July 2006; and

(c) acting under subregulation 45D (6) of those Regulations:

  (i) determine, for the purposes of subparagraph 45D (5) (b) (i) of those Regulations, that the method set out in Schedule 2 is the method for calculating the interest rate for an adjustment period of exactly 12 months beginning before the end of the financial year ending on 30 June 2006 and ending in the next financial year; and

  (ii) determine, for the purposes of subparagraph 45D (5) (b) (ii) of those Regulations, that the method set out in Schedule 3 is the method for calculating the interest rate for an adjustment period of less than 12 months beginning before the end of the financial year ending on 30 June 2006 and ending in the next financial year.

This Determination commences on 1 July 2006.

Dated 1 June 2006

PETER COLIN MARTIN
Australian Government Actuary

Schedule 1   Method — Adjustment period of less than 12 months in the 2006–07 financial year

(paragraph (b))

The method for calculating the interest rate for the adjustment period is:

$$1.070^{\frac{d}{365}} - 1$$

where:

d is the number of days in the adjustment period.

Schedule 2   Method — Adjustment period of exactly 12 months bridging the 2005–06 and 2006–07 financial years

(subparagraph (c) (i))

The method for calculating the interest rate for the adjustment period is:

$$1.073^{\frac{d1}{d1+d2}} \times 1.070^{\frac{d2}{d1+d2}} - 1$$

where:

d1 is the number of days in the adjustment period in the financial year ending on 30 June 2006.

d2 is the number of days in the adjustment period in the financial year beginning on 1 July 2006.

Schedule 3 Method — Adjustment period of less than 12 months bridging the 2005–06 and 2006–07 financial years

(subparagraph (c) (ii))

The method for calculating the interest rate for the adjustment period is:

$$1.073^{\frac{d1}{365}} \times 1.070^{\frac{d2}{365}} - 1$$

where:

d1 is the number of days in the adjustment period in the financial year ending on 30 June 2006.

d2 is the number of days in the adjustment period in the financial year beginning on 1 July 2006.