

## EXPLANATORY STATEMENT

### Superannuation Supervisory Levy Imposition Determination 2010

This determination relates to a levy imposed by the *Superannuation Supervisory Levy Imposition Act 1998* on superannuation entities.

This determination commences on 1 July 2010 and relates to the 2010-11 financial year. The *Superannuation Supervisory Levy Imposition Determination 2009* is revoked upon commencement of this determination. Consistent with section 50 of the *Acts Interpretation Act 1901*, any obligation or liability incurred in previous financial years remains valid.

Subsection 7(3) of the *Superannuation Supervisory Levy Imposition Act 1998* allows the Minister to determine:

- (a) the maximum restricted levy amount for each financial year;
- (b) the minimum restricted levy amount for each financial year;
- (c) the restricted levy percentage for each financial year;
- (ca) the unrestricted levy percentage for each financial year; and
- (d) how a superannuation entity's asset value is to be calculated.

For superannuation funds other than small APRA funds (SAFs), this determination provides that the restricted component of the 2010-11 levy will be calculated at 0.00965 per cent of assets held by the entity, subject to a minimum of \$570 and a maximum of \$232,000. The unrestricted component of the 2010-11 levy will be calculated at 0.000938 per cent of assets held by the entity.

For SAFs, this determination provides that the restricted component of the 2010-11 levy will be calculated at 0 per cent of assets held by the entity, subject to a minimum of \$500 and a maximum of \$500. The unrestricted component of the 2010-11 levy will be calculated at 0 per cent of assets held by the entity. In effect, SAFs will be levied a flat amount of \$500 per fund.

The finance sector has been consulted on the 2010-11 supervisory levies through a Treasury and Australian Prudential Regulation Authority Consultation Paper released on 27 May 2010.

This determination is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.