



Financial Sector (Collection of Data) (reporting standard) determination No. 1 of 2018

Reporting Standard ARS 760.0 Major Bank Levy Act 2017

Financial Sector (Collection of Data) Act 2001

I, Katrina Ellis, delegate of APRA, under paragraph 13(1)(a) of the *Financial Sector (Collection of Data) Act 2001* (the Act) and subsection 33(3) of the *Acts Interpretation Act 1901*:

- (a) REVOKE Financial Sector (Collection of Data) (reporting standard) determination No. 13 of 2017, including *Reporting Standard ARS 760.0 ATO collection for Major Bank Levy Act 2017* made under that Determination; and
- (b) DETERMINE *Reporting Standard ARS 760.0 ATO collection for Major Bank Levy Act 2017*, in the form set out in the Schedule, which applies to the financial sector entities to the extent provided in paragraph 3 of the reporting standard.

Under section 15 of the Act, I DECLARE that the reporting standard shall begin to apply to those financial sector entities, and the revoked reporting standard shall cease to apply, on 12 January 2018.

This instrument commences on 12 January 2018.

Dated: 9 January 2018

[Signed]

Katrina Ellis
General Manager
Data Analytics Division

Interpretation

In this Determination:

APRA means the Australian Prudential Regulation Authority.

financial sector entity has the meaning given in section 5 of the Act.

Schedule

Reporting Standard ARS 760.0 ATO collection for Major Bank Levy Act 2017 comprises the 9 pages commencing on the following page.



Reporting Standard ARS 760.0

ATO collection for *Major Bank Levy Act 2017*

Objective of this Reporting Standard

This Reporting Standard sets out the requirements for the provision of information to APRA in relation to an authorised deposit-taking institution's levy calculation for the purposes of the *Major Bank Levy Act 2017*.

It includes *Reporting Form ARF 760.0 ATO collection for Major Bank Levy Act 2017* and should be read in conjunction with the *Major Bank Levy Act 2017*.

Authority

1. This Reporting Standard is made under section 13 of the *Financial Sector (Collection of Data) Act 2001*.

Purpose

2. Information collected in *Reporting Form ARF 760.0 ATO collection for Major Bank Levy Act 2017* (ARF 760.0) is used by the Commissioner of Taxation for the purposes of the *Major Bank Levy Act 2017* (the Act).

Application and commencement

3. This Reporting Standard applies to an authorised deposit-taking institution (ADI) that has a *total liabilities amount* that exceeds the *levy threshold*.
4. This Reporting Standard applies for reporting periods ending on or after 30 September 2017.

Information required

5. An ADI to which this Reporting Standard applies must provide APRA with the information required by ARF 760.0 for each *reporting period* on a *Licensed ADI* basis.

Forms and method of submission

6. The information required by this Reporting Standard must be given to APRA in electronic format using the 'Direct to APRA' application or by a method notified by APRA, in writing, prior to submission.

Note: The 'Direct to APRA' application software (also known as 'D2A') may be obtained from APRA.

Reporting periods and due dates

7. An ADI to which this Reporting Standard applies must provide the information required by this Reporting Standard for each quarter ending 31 March, 30 June, 30 September and 31 December.
8. The information required by this Reporting Standard must be provided to APRA:
 - (a) for the reporting period ending 30 September 2017, by 13 February 2018; and
 - (b) for reporting periods ending on or after 31 December 2017, within 30 business days after the end of the quarter to which the information relates.
9. APRA may, by notice in writing, extend the due date by which an ADI must provide the information required by this Reporting Standard, in which case the new due date will be the date specified in the notice of extension.

Quality control

10. The information provided by an ADI under this Reporting Standard may be completed on a best endeavours basis for the transition period, being for reporting periods ending on or before 30 June 2019.

Note: for the avoidance of doubt, paragraph 10 of this Reporting Standard does not limit APRA from, under section 17 of the *Financial Sector (Collection of Data) Act 2001*, directing an ADI to give APRA explanation of, or variation to, information provided by an ADI under this Reporting Standard.

11. For reporting periods ending after the transition period specified in paragraph 10, all information provided by an ADI under this Reporting Standard must be the product of processes and controls that have been reviewed and tested by the external auditor of the ADI. *Guidance Statement GS 012 Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions*¹, issued by the Auditing and Assurance Standards Board, provides guidance on the scope and nature of the review and testing required from external auditors. This review and testing must be done on an annual basis or more frequently if necessary to enable the external auditor to form an opinion on the accuracy and reliability of the information.
12. All information provided by an ADI under this Reporting Standard must be subject to processes and controls developed by the ADI for the internal review and authorisation of that information. These systems, processes and controls are to assure the completeness and reliability of the information provided.

¹ Pursuant to section 227B of the *Australian Securities and Investments Commission Act 2001*.

Note: for the avoidance of doubt, paragraph 10 of this Reporting Standard does not limit the requirements of paragraph 12 of this Reporting Standard.

Authorisation

13. When an officer of an ADI submits information under this Reporting Standard using the D2A software, or other method notified by APRA, it will be necessary for the officer to digitally sign the relevant information using a digital certificate acceptable to APRA.

Minor alterations to forms and instructions

14. APRA may make minor variations to:
 - (a) a form that is part of this Reporting Standard to correct technical, programming or logical errors, inconsistencies or anomalies; or
 - (b) the instructions to a form, to clarify their application to the formwithout changing any substantive requirement in the form or instructions.
15. If APRA makes such a variation it will notify, in writing, each ADI that is required to report under this Reporting Standard.

Interpretation

16. In this Reporting Standard:

AASB has the meaning given in section 9 of the *Corporations Act 2001*.

ADI means an authorised deposit-taking institution within the meaning of the *Banking Act 1959*.

Additional Tier 1 Capital means capital instruments accounted for as liabilities issued by a *Licensed ADI* that meet the criteria to be classified as Additional Tier 1 Capital set out in *Prudential Standard APS 111 Capital Adequacy: Measurement of Capital*.

Applicable liabilities amount has the meaning given in the Act.

APRA means the Australian Prudential Regulation Authority established under the *Australian Prudential Regulation Authority Act 1998*.

ATO means the Australian Taxation Office.

daily average means the average value at the end of each calendar day of the quarter, calculated in accordance with subsection 6(3) of the Act or as otherwise amended under section 8 of the Act.

debt securities means instruments issued by a *Licensed ADI* that are recognised as liabilities in accordance with Australian Accounting Standards.

derivative assets means assets of a *Licensed ADI* resulting from contracts that meet the criteria of being accounted for as derivative instruments in accordance with Australian Accounting Standards.

derivative liabilities means liabilities of a *Licensed ADI* resulting from contracts that meet the criteria of being accounted for as derivative instruments in accordance with Australian Accounting Standards.

due date means the relevant date under paragraph 8 or, if applicable, paragraph 9.

financial claims scheme (FCS) means the scheme provided for under Division 2AA of Part II of the *Banking Act 1959*.

foreign bank means an entity authorised to carry on banking business in a foreign country that has not been granted an authority under section 9 of the *Banking Act 1959* to carry on banking business in Australia.

levy threshold has the meaning given in the Act.

liabilities means the value of all present obligations of a *Licensed ADI* arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits, recognised in accordance with Australian Accounting Standards.

Licensed ADI refers to the ultimate Australian parent entity², typically referred to as 'Bank', 'Company' or 'Parent Entity' in the ADI's financial statements.

loans means loans payable as defined in *AASB 7 Financial Instruments: Disclosures*³ Appendix A. Loans payable covers interbank lending, and includes the lending of funds to a *Licensed ADI* via means of a non-tradeable document, certificate or security, recognised in accordance with Australian Accounting Standards.

reporting period means a period mentioned in paragraph 7.

repurchase agreements means the value of the amount payable by a *Licensed ADI* in relation to debt securities sold under agreements to repurchase or stock lending, recognised in accordance with Australian Accounting Standards.

subsection 5(4) legislative instrument means a legislative instrument determined under subsection 5(4) of the Act.

subsection 6(4) legislative instrument means a legislative instrument determined under subsection 6(4) of the Act.

total liabilities amount has the meaning given in the Act.

² The term 'parent' is defined in Appendix A of *AASB 10 Consolidated Financial Statements*, made by the AASB under section 334 of the *Corporations Act 2001*, as 'An entity that controls one or more entities'.

³ Made by the AASB under section 334 of the *Corporations Act 2001*.

17. Liabilities of a *Licensed ADI* recognised under this Reporting Standard must be measured in accordance with section 7 of the Act.⁴
18. Unless the contrary intention appears, references to Acts, Prudential Standards, Australian Accounting Standards, Australian Auditing Standards and related guidance are references to those instruments that are in force or otherwise applicable from time to time.

⁴ Section 7 of the Act specifies that amounts are to be worked out in accordance with accounting principles or an instrument made under section 8 of the Act.

ARF_760_0: ATO collection for *Major Bank Levy Act 2017*

| | |
|-----------------------------------|----------------------------------|
| Australian Business Number | Institution Name |
| | |
| Reporting Period | Scale Factor |
| Quarterly | Whole dollars - no decimal place |
| Reporting Consolidation | |
| Licensed ADI | |

1. Total liabilities

- 1.1. Adjustment to debt-securities
 - 1.1.1. Debt securities at quarter end
 - 1.1.2. Debt securities daily average
- 1.2. Adjustment to repurchase agreements
 - 1.2.1. Repurchase agreements at quarter end
 - 1.2.2. Repurchase agreements daily average
- 1.3. Adjustment to loans from ADIs and foreign banks
 - 1.3.1. Loans from ADIs and foreign banks at quarter end
 - 1.3.2. Loans from ADIs and foreign banks daily average
- 1.4. Total adjustment amounts as determined by subsection 6(4) legislative instruments
 - 1.4.1. Adjustment amounts as determined by subsection 6(4) legislative instruments

| |
|---|
| |
| 1.1.2-1.1.1 |
| |
| 1.2.2-1.2.1 |
| |
| 1.3.2-1.3.1 |
| |
| Sum(1.4.1 column 3)-Sum(1.4.1 column 2) |

| Description (1) | Quarter end (2) | Daily average (3) |
|--------------------|--------------------|----------------------|
| | | |

1.5. Total liabilities amount (as per the Major Bank Levy Act)

| |
|-------------------|
| 1+1.1+1.2+1.3+1.4 |
|-------------------|

- 2. Additional Tier 1 Capital
- 3. ADI aggregate maximum FCS entitlement
- 4. Adjustment to derivatives
 - 4.1. Derivative assets
 - 4.2. Derivative liabilities
- 5. Exchange settlement account held with the RBA daily average
- 6. Total other amounts as determined by subsection 5(4) legislative instruments
 - 6.1. Other amounts as determined by subsection 5(4) legislative instruments

| |
|-------------------|
| |
| |
| Min(4.1, 4.2) |
| |
| |
| Sum(6.1 column 2) |

| Description (1) | Amount (2) |
|--------------------|---------------|
| | |

July 2017

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7. Applicable liabilities amount (as per the *Major Bank Levy Act 2017*)

8. Amount of levy payable for the quarter (as per the *Major Bank Levy Act 2017*)

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DECLARATION:

I declare I am authorised to provide this return and the information in this return is true and correct.

Reporting Form ARF 760.0

ATO collection for *Major Bank Levy Act 2017*

Instructions

This form relates to the operations of an authorised deposit-taking institution (ADI) that has a ***total liabilities amount*** that exceeds the ***levy threshold***. This form collects information in accordance with the Act and is collected by APRA on behalf of the Commissioner of Taxation.

Reporting basis and units of measurement

Report on a ***Licensed ADI*** basis.

Report all items on ARF 760.0 in accordance with section 7 of the Act. Unless contrary to the Act or this reporting standard, the treatment of items under the accounting principles carried out in accordance with section 7 should be consistent with those applied in the financial statements of the ***Licensed ADI***.

All items are to be reported in Australian dollars (AUD) in whole dollars (no decimal place). Amounts denominated in foreign currency are to be converted to AUD in accordance with *AASB 121 The Effects of Changes in Foreign Exchange Rates*.⁵

Items on ARF 760.0 are to be reported as at the last day of the stated reporting period (i.e. the relevant quarter) with the exception of items 1.1.2, 1.2.2, 1.3.2, relevant items in 1.4.1, and item 5. These ‘daily average’ data items are to be calculated in accordance with subsection 6(3) of the Act.

Specific instructions

All derived fields in the form are shaded and specified in the instructions below. Terms highlighted in ***bold italics*** indicate that the definition is provided in paragraph 16 of this Reporting Standard.

| | |
|-------------------|---|
| Item 1 | Report total <i>liabilities</i> of the <i>Licensed ADI</i> . |
| Item 1.1 | Report adjustments to <i>debt securities</i> . Item 1.1 is a derived item, calculated as item 1.1.2 <i>Debt securities daily average</i> less item 1.1.1 <i>Debt securities</i> at quarter end. |
| Item 1.1.1 | Report the value of <i>debt securities</i> , excluding liabilities with controlled entities. |

⁵ Made by the AASB under section 334 of the *Corporations Act 2001*.

| | |
|-------------------|--|
| Item 1.1.2 | Report the <i>daily average</i> value of <i>debt securities</i> , excluding liabilities with controlled entities. |
| Item 1.2 | Report adjustments to <i>repurchase agreements</i> . Item 1.2 is a derived item, calculated as item 1.2.2 <i>Repurchase agreements daily average</i> less item 1.2.1 <i>Repurchase agreements</i> at quarter end. |
| Item 1.2.1 | Report the value of <i>repurchase agreements</i> , excluding liabilities with controlled entities. |
| Item 1.2.2 | Report the <i>daily average</i> value of <i>repurchase agreements</i> , excluding liabilities with controlled entities. |
| Item 1.3 | Report adjustments to <i>loans</i> from <i>ADIs</i> and <i>foreign banks</i> . Item 1.3 is a derived item, calculated as item 1.3.2 <i>Loans from ADIs and foreign banks daily average</i> less item 1.3.1 <i>Loans from ADIs and foreign banks</i> at quarter end. |
| Item 1.3.1 | Report the value of <i>loans</i> where the counterparty to the reporting entity is an <i>ADI</i> or a <i>foreign bank</i> , excluding liabilities with controlled entities. |
| Item 1.3.2 | Report the <i>daily average</i> value of <i>loans</i> where the counterparty to the reporting entity is an <i>ADI</i> or a <i>foreign bank</i> , excluding liabilities with controlled entities. |
| Item 1.4 | Report the total of adjustment amounts in accordance with subsection 6(4) legislative instruments. Item 1.4 is a derived item calculated as the sum of item 1.4.1 <i>daily average</i> adjustment amounts as determined by subsection 6(4) legislative instruments in column 3, less the sum of item 1.4.1 quarter end adjustment amounts as determined by subsection 6(4) legislative instruments in column 2. |
| Item 1.4.1 | Report the description of adjustment amounts in accordance with subsection 6(4) legislative instruments in column 1, quarter end amount in column 2, and the <i>daily average</i> amount in column 3. |
| Item 1.5 | Report the total liabilities amount, as per the <i>Major Bank Levy Act 2017</i> . It is calculated as item 1 Total <i>liabilities</i> plus item 1.1 Adjustment to <i>debt securities</i> plus item 1.2 Adjustment to <i>repurchase agreements</i> plus item 1.3 Adjustment to <i>loans</i> with <i>ADIs</i> and <i>foreign banks</i> plus item 1.4 total adjustment amounts in accordance with subsection 6(4) legislative instruments. |
| Item 2 | Report the value of <i>Additional Tier 1 Capital</i> instruments accounted for as liabilities issued by the <i>Licensed ADI</i> . |
| Item 3 | Report the total of all account-holders' <i>Financial Claims Scheme</i> (FCS) |

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|-----------------|--|
| | balances in protected accounts after application of the FCS limit (which for each account-holder will be their entitlement in all protected accounts or the FCS limit, whichever is the lesser), provided for under subsection 16AG(1) of the <i>Banking Act 1959</i> . Balances must be calculated in accordance with <i>Prudential Standard APS 910 – Financial Claims Scheme</i> on a basis equivalent to a declaration event, including the calculation of accrued interest. |
| Item 4 | Report adjustments to derivatives. Item 4 is a derived item, calculated as an amount equal to the lesser of the item 4.1 <i>derivative assets</i> and item 4.2 <i>derivative liabilities</i> for the quarter. |
| Item 4.1 | Report the value of <i>derivative assets</i> . |
| Item 4.2 | Report the value of <i>derivative liabilities</i> . |
| Item 5 | Report the <i>daily average</i> balances of the entity relating to Exchange Settlement Accounts held at the Reserve Bank of Australia to settle financial obligations arising from the clearing of payments. Refer: Reserve Bank of Australia glossary. |
| Item 6 | Report the total of other amounts in accordance with subsection 5(4) legislative instruments. Item 6 is a derived item calculated as the sum of item 6.1 Other amounts in accordance with subsection 5(4) legislative instruments, in column 2. |
| Item 6.1 | Report the description of other amounts in accordance with subsection 5(4) legislative instruments in column 1 and the corresponding amount in column 2. |
| Item 7 | Report the <i>applicable liabilities amount</i> , calculated in accordance with subsection 5(2) of the <i>Major Bank Levy Act 2017</i> . |
| Item 8 | Report the amount of levy payable for the quarter, calculated in accordance with subsection 5(1) of the <i>Major Bank Levy Act 2017</i> . |