



## **Radiocommunications (Spectrum Licence Tax) Amendment Determination 2020 (No. 1)**

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The Australian Communications and Media Authority makes the following amendment under subsection 7(1) of the *Radiocommunications (Spectrum Licence Tax) Act 1997*.

Dated: 11 September 2020

James Cameron  
[signed]  
Member

Cathy Rainsford  
[signed]  
~~Member~~/General Manager

Australian Communications and Media Authority

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## Section 1

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### **1 Name**

This is the *Radiocommunications (Spectrum Licence Tax) Amendment Determination 2020 (No. 1)*.

### **2 Commencement**

This instrument commences at the start of the day after the day it is registered on the Federal Register of Legislation.

Note: The Federal Register of Legislation may be accessed free of charge at [www.legislation.gov.au](http://www.legislation.gov.au).

### **3 Authority**

This instrument is made under subsection 7(1) of the *Radiocommunications (Spectrum Licence Tax) Act 1997*.

### **4 Amendments**

The instrument that is specified in Schedule 1 is amended as set out in the applicable items in that Schedule.

## Schedule 1—Amendments

(section 4)

### *Radiocommunications (Spectrum Licence Tax) Determination 2014 (F2014L00957)*

#### 1 Section 1

After section 1, insert:

##### 2 Interpretation

For the purposes of this Determination:

**Designated Spectrum Licence** means a spectrum licence issued under Part 3.2 of the *Radiocommunications Act 1992*, other than the following:

- (a) a spectrum licence issued to:
  - (i) a Department of State of the Commonwealth of Australia; or
  - (ii) an Executive Agency established under section 65 of the *Public Service Act 1999*; or
  - (iii) a Statutory Agency within the meaning of section 7 of the *Public Service Act 1999*;
- (b) a spectrum licence issued with one or more conditions that require the licensed spectrum to be used only for the provision of a television outside broadcast service; and
- (c) a spectrum licence issued with one or more conditions that require the licensed spectrum to be used only for the provision of rail safety, rail operations or rail control.

**EME Component**, for a spectrum licence, means the amount calculated in accordance with Schedule 2.

**Main Component**, for a spectrum licence, means the amount calculated in accordance with Schedule 1.

Note: For a spectrum licence, the Main Component may be affected by subsection 5(3).

#### 2 Section 5

Repeal the section, substitute:

##### 5 Working out spectrum licence tax

- (1) Subject to subsection (3), for a spectrum licence other than a Designated Spectrum Licence, the amount of tax in relation to the licence is the Main Component.
- (2) For a Designated Spectrum Licence, the amount of tax in relation to the licence is the sum of:
  - (a) subject to subsection (3), the Main Component; and
  - (b) the EME Component.
- (3) If a spectrum licence authorises the use of spectrum in either of the following frequency ranges:

(a) 2570 – 2585 MHz;

(b) 2605 – 2620 MHz;

the Main Component is reduced by one third.

### 3 Heading to Schedule 1

Omit '(section 5)', substitute '(section 2)'.

### 4 Schedule 1

Omit each occurrence (including in the heading) of the words 'spectrum licence tax', substitute 'the Main Component'.

### 5 Schedule 1, Part 1, Table 1, item 10

Omit 'MHS', substitute 'MHz'.

### 6 Schedule 1, Part 2, Step 3

Omit 'payable'.

### 7 After Schedule 1

After Schedule 1, insert:

## Schedule 2 Working out the EME Component

(section 2)

### Part 1 Definitions

For the purposes of this Schedule:

**MCL**, for a spectrum licence, means the Main Component for the licence calculated for the relevant day.

**relevant day**: see subitem (2) of Part 2.

**total annual EME Component** means:

(a) for the 2020-2021 financial year—\$2.6 million;

(b) for the 2021-2022 financial year—\$2.6 million;

(c) for the 2022-2023 financial year—\$2.6 million; and

(d) for the 2023-2024 financial year, and each subsequent financial year—\$1.9 million.

Note: The *Australian Communications and Media Authority (Modification to Apparatus and Spectrum Licences Taxes) Direction 2020* requires the ACMA to increase the amount in paragraph (d) annually, by reference to the Consumer Price Index. See subsection 6(2) of that direction.

**total Main Component**, for a financial year, means the sum of the Main Component for each Designated Spectrum Licence in force on the relevant day in that financial year, worked out for that day.

Note: The relevant day will be the initial holding date, or an anniversary of the initial holding date, for a Designated Spectrum Licence.

## Part 2 Method statement

- (1) This method statement is to be used when working out the EME Component for a spectrum licence on the initial holding date for the licence, and on each anniversary of the initial holding date for the licence.
- (2) Each date mentioned in subitem (1) is a *relevant day*.
- (3) The amount of the EME Component for a Designated Spectrum Licence on a relevant day in a financial year is calculated in accordance with the following formula:

$$\frac{MCL}{\text{total Main Component for that financial year}} \times \text{total annual EME Component for that financial year}$$

Example: For the 2020-2021 financial year, where:

- (a) the total annual EME Component for the financial year is \$2.6 million;
  - (b) the total Main Component for the financial year is \$400,000; and
  - (c) for a particular spectrum licence, *MCL* is \$100,000;
- the EME Component for that licence in that financial year is:

$$\frac{\$100,000}{\$400,000} \times \$2.6 \text{ million} = \$650,000$$

- (4) The amount of the EME Component must be rounded down to the nearest whole dollar.