

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

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

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).

1. 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:

1. for the 2020-2021 financial year—$2.6 million;
2. for the 2021-2022 financial year—$2.6 million;
3. for the 2022-2023 financial year—$2.6 million; and
4. 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:

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:

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