

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
HOUSE OF REPRESENTATIVES

Presented and read a first time, 27 May 1993

(Parliamentary Secretary to the Treasurer)

A BILL

FOR

An Act to impose levies on superannuation funds and approved deposit funds for the purpose of funding financial assistance to any such funds that have suffered loss as a result of fraudulent conduct or theft

The Parliament of Australia enacts:

Short title

1. This Act may be cited as the *Superannuation (Financial Assistance Funding) Levy Act 1993*.

5 Commencement

2. This Act commences on the same day as Part 23 of the *Superannuation Industry (Supervision) Act 1993*.

Object of Act

3. The object of this Act is to impose levies on superannuation funds and approved deposit funds for the purpose of funding financial assistance under Part 23 of the *Superannuation Industry (Supervision) Act 1993* to such funds that have suffered loss as a result of fraudulent conduct or theft. 5

Application of the Superannuation Industry (Supervision) Act

4. Section 9, and Division 2 of Part 1, of the *Superannuation Industry (Supervision) Act 1993* apply in relation to this Act in a corresponding way to the way in which they apply in relation to that Act.

Interpretation

5. In this Act, unless the contrary intention appears: 10
“fund” means a regulated superannuation fund or an approved deposit fund;
“levy” means levy imposed by regulations under section 6 of this Act.

Regulations may impose levies

6.(1) If the Minister makes a determination under Part 23 of the *Superannuation Industry (Supervision) Act 1993* to grant financial assistance to a fund, the regulations may impose a levy or levies on each fund other than: 15

- (a) the first-mentioned fund; or
- (b) another fund in respect of which such a determination was made in the same financial year. 20

(2) Each levy must be identified in the regulations by a unique number.

Basis for prescribing amount of levy

7.(1) Subject to subsection (2), the rate or rates of a levy that is imposed because of a grant of financial assistance to a fund under Part 23 of the *Superannuation Industry (Supervision) Act 1993* are to be fixed on the basis that the amount of revenue to be raised by the levy, or by the levy and any previous levy imposed because of the same grant of financial assistance, is not to exceed the amount needed to recoup the Commonwealth for the amount of that financial assistance. 25 30

(2) The rate or rates of a levy imposed in a financial year are not to be such that the total of the amounts payable in respect of the levy, or the total of those amounts and any amounts payable in respect of a previous levy imposed in the same financial year, would exceed 0.05% of the sum of the values at the end of the previous financial year of all the assets of the funds on which the levy or levies are imposed. 35

(3) In making regulations fixing the rate or rates of a levy, regard is to be had to subsections (1) and (2) but the validity of a regulation is not affected merely because it fixes a rate or rates of levy in excess of the maximum rate or rates required because of those subsections.

5 **Amount of levy**

8. The amount of a levy imposed on a fund is worked out using the formula:

$$\text{Applicable rate} \times \text{Value of assets}$$

where:

10 **“Applicable rate”** means the rate (expressed as a decimal fraction) that, under the regulations, is the rate of the levy applicable to the fund;

“Value of assets” means the value of the assets of the fund at the end of the last financial year of the fund before the day on which the regulation imposing the levy took effect.

15 **Levies may discriminate between classes of funds**

9.(1) Regulations imposing a levy:

(a) may provide different rates of the levy for different classes of funds; but

(b) must not otherwise discriminate between different funds.

20 (2) Regulations imposing a levy may define what constitutes a class of funds for the purposes of the levy but must not define a class in such a way that the levy would discriminate between States or parts of States.

Regulations

10. The Governor-General may make regulations prescribing matters:

25 (a) required or permitted by this Act to be prescribed; or

(b) necessary or convenient to be prescribed for carrying out or giving effect to this Act.



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