



Australian Capital Territory

# **Insurance Levy Act 1998      No 32**

## **Republication No 2**

Republication date: 2 May 2002

Last amendment made by Act 2001 No 22

Amendments incorporated to 30 June 2001

Authorised by the ACT Parliamentary Counsel

## About this republication

### The republished law

This is a republication of the *Insurance Levy Act 1998* as in force on 2 May 2002. It includes any amendment, repeal or expiry affecting the republished law to 30 June 2001 and any amendment made under the *Legislation Act 2001*, part 11.3 (Editorial changes).

The legislation history and amendment history of the republished law are set out in endnotes 3 and 4.

### Kinds of republications

The Parliamentary Counsel's Office prepares 2 kinds of republications of ACT laws (see the ACT legislation register at [www.legislation.act.gov.au](http://www.legislation.act.gov.au)):

- authorised republications to which the *Legislation Act 2001* applies
- unauthorised republications.

The status of this republication appears on the bottom of each page.

### Editorial changes

The *Legislation Act 2001*, part 11.3 authorises the Parliamentary Counsel to make editorial amendments and other changes of a formal nature when preparing a law for republication. Editorial changes do not change the effect of the law, but have effect as if they had been made by an Act commencing on the republication date (see *Legislation Act 2001*, s 115 and s 117). The changes are made if the Parliamentary Counsel considers they are desirable to bring the law into line, or more closely into line, with current legislative drafting practice.

This republication includes amendments made under part 11.3 (see endnote 1).

### Uncommenced provisions and amendments

If a provision of the republished law has not commenced or is affected by an uncommenced amendment, the symbol **U** appears immediately before the provision heading. The text of the uncommenced provision or amendment appears only in the last endnote.

### Modifications

If a provision of the republished law is affected by a current modification, the symbol **M** appears immediately before the provision heading. The text of the modifying provision appears in the endnotes. For the legal status of modifications, see *Legislation Act 2001*, section 95.

### Penalties

The value of a penalty unit for an offence against this republished law at the republication date is—

- (a) if the person charged is an individual—\$100; or
- (b) if the person charged is a corporation—\$500.

Amendments incorporated to  
30 June 2001



Australian Capital Territory

# Insurance Levy Act 1998

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Amendments incorporated to  
30 June 2001



Australian Capital Territory

## Insurance Levy Act 1998

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An Act to impose a levy on general insurers and on certain other persons,  
and for a related purpose

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## Part 1 Preliminary

### 1 Name of Act

This Act is the *Insurance Levy Act 1998*.

### 3 Incorporation of Taxation Administration Act

The *Taxation Administration Act 1999* is incorporated and shall be read as one with this Act.

### 4 Interpretation for Act

(1) In this Act:

*Note* A definition applies except so far as the contrary intention appears (see *Legislation Act 2001*, s 155).

***assessable portion***, in relation to a prescribed premium for an insurance policy, means the proportion of that premium determined in accordance with regulations made under section 5.

***foreign insurer*** means a general insurer not authorised under a law of the Territory, the Commonwealth, a State or another Territory to carry on business as a general insurer.

***general insurance*** means insurance in respect of—

- (a) property situated in the ACT when the insurance was effected;  
or
- (b) an act or omission occurring in the ACT.

***general insurer*** means a person who carries on the business of general insurance.

***premium***, in relation to an insurance policy, includes any brokerage or commission paid or due to be paid or allowed on a premium, or on any bonus or return premium allowed in respect of the policy, but does not include—

- (a) stamp duty payable in respect of the policy under a law of the Territory, a State or another Territory; or
- (b) any part of the premium that is paid or due to be paid by way of reinsurance by the insurer to any other insurer in the ACT.

***prescribed premium*** means a premium payable for a policy of general insurance, being a policy of a class that is prescribed by regulations made under section 5.

***total levy amount*** means \$10 000 000 or any other sum determined by the Minister in writing.

- (2) A determination of the Minister for subsection (1), definition of ***total levy amount*** is a disallowable instrument.

*Note* A disallowable instrument must be notified, and presented to the Legislative Assembly, under the Legislation Act 2001.

## **5 Assessable portions of prescribed premiums— regulations**

The regulations may determine assessable portions of prescribed premiums for this Act.

## Part 2 Levies

### 8 Liability for annual levy—no advance payment payable

If no advance payment is payable by a general insurer in a financial year, the amount of the annual levy in respect of that year is due and payable by the insurer to the commissioner in equal instalments on or before 1 January and 1 April in that year, or on or before any other days in that year that the commissioner approves on the written application of the insurer.

### 9 Advance payment—additional payments and adjustments to take account of annual levy

- (1) If the annual levy for a general insurer in a financial year is greater than the advance payment payable by the insurer in that year, the amount of the difference is due and payable by the insurer to the commissioner in equal instalments on or before 1 January and 1 April in that year, or on or before any other days in that year that the commissioner approves on the written application of the insurer.
- (2) If the annual levy for a general insurer in a financial year is less than the advance payment payable by the insurer in that year, the commissioner shall credit the amount of the difference against—
  - (a) any instalments that remain to be paid in respect of the advance payment; and
  - (b) any instalments that are required to be paid in respect of the advance payment that is payable during the following financial year;in the way the commissioner determines.
- (3) If subsection (2) applies, and any balance is outstanding at the end of the financial year referred to in subsection (2) (b), the commissioner shall pay the outstanding amount to the insurer not later than 30 June in that financial year.



(4) If—

- (a) a general insurer is entitled to a credit referred to in subsection (2) in respect of an advance payment; and
- (b) no prescribed premium was due to the insurer for the taking out or renewal of any insurance policy in the financial year in which the advance payment was made; and
- (c) the insurer has notified the commissioner accordingly under section 10 (2); and
- (d) the liabilities of the insurer in relation to payments under this Act have been discharged;

the commissioner shall, as soon as practicable, pay to the insurer the amount of the credit or the balance outstanding.

## **Part 3 Foreign insurers**

### **11 Application of pt 3**

This part applies in respect of a policy of general insurance with a foreign insurer for which a prescribed premium is payable irrespective of where the premium is received.

### **12 Liability of property owner—foreign insurance**

- (1) This section applies if the commissioner gives a written notice to the owner of property in respect of which a general insurance policy has been taken out with a foreign insurer that the owner is responsible for any payments to be made under this Act in respect of prescribed premiums received, or due to be received, by the insurer in respect of that property.
- (2) If this section applies—
  - (a) the property owner shall pay the commissioner any amounts that would otherwise be payable by the insurer under this Act in respect of the prescribed premiums; and
  - (b) this Act (except section 10) applies with all necessary changes to the property owner as if the owner were the foreign insurer, subject to any modification of this Act prescribed by the regulations in relation to that application; and
  - (c) the application of section 10 to the foreign insurer is not affected.

### **13 Recovery of levy by property owners from foreign insurers**

The amount of any payment made by a person to the commissioner under section 12 may be recovered by the person from the foreign insurer to whom the relevant prescribed premiums were paid—

- (a) by means of deductions from any prescribed premium recoverable in the Territory by or on behalf of the insurer on the issue or renewal of any general insurance policy taken out with the insurer; or
- (b) as a debt.

## **Part 4                      Miscellaneous**

### **17      Regulation-making power**

The Executive may make regulations for this Act.

*Note*      Regulations must be notified, and presented to the Legislative Assembly, under the *Legislation Act 2001*.

## Endnotes

### 1 About the endnotes

Amending and modifying laws are annotated in the legislation history and the amendment history. Current modifications are not included in the republished law but are set out in the endnotes.

Not all editorial amendments made under the *Legislation Act 2001*, part 11.3 are annotated in the amendment history. Full details of any amendments can be obtained from the Parliamentary Counsel's Office.

Uncommenced amending laws and expiries are listed in the legislation history and the amendment history. These details are underlined. Uncommenced provisions and amendments are not included in the republished law but are set out in the last endnote.

If all the provisions of the law have been renumbered, a table of renumbered provisions gives details of previous and current numbering.

The endnotes also include a table of earlier republications.

If the republished law includes penalties, current information about penalty unit values appears on the republication inside front cover.

### 2 Abbreviation key

am = amended	ord = ordinance
amdt = amendment	orig = original
ch = chapter	p = page
cl = clause	par = paragraph
def = definition	pres = present
dict = dictionary	prev = previous
disallowed = disallowed by the Legislative Assembly	(prev...) = previously
div = division	prov = provision
exp = expires/expired	pt = part
Gaz = Gazette	r = rule/subrule
hdg = heading	reg = regulation/subregulation
ins = inserted/added	renum = renumbered
LA = Legislation Act 2001	reloc = relocated
LR = legislation register	R[X] = Republication No
LRA = Legislation (Republication) Act 1996	s = section/subsection
mod = modified / modification	sch = schedule
No = number	sdiv = subdivision
num = numbered	sub = substituted
o = order	SL = Subordinate Law
om = omitted/repealed	<u>underlining</u> = whole or part not commenced or to be expired

## Endnotes

3 Legislation history

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### 3 Legislation history

#### **Insurance Levy Act 1998 No 32**

notified 11 September 1998 (Gaz 1998 No S193)  
commenced 11 September 1998 (s 2)

as amended by

#### **Taxation Administration (Consequential and Transitional Provisions) Act 1999 No 5 sch 2**

notified 1 March 1999 (Gaz 1999 No S8)  
commenced 1 March 1999 (s 2)

#### **Law Reform (Miscellaneous Provisions) Act 1999 No 66 sch 3**

notified 10 November 1999 (Gaz 1999 No 45)  
commenced 10 November 1999 (s 2)

#### **Insurance Levy Legislation Repeal Act 2001 No 22 sch 1 pt 2 amdt 1.2-1.7**

notified 19 April 2001 (Gaz 2001 No 16)  
s 1, s 2 commenced 19 April 2001 (IA s 10B) (s 2 (1))  
sch 1 pt 2 amdts 1.2, 1.4-1.7 commenced 30 June 2001 (s 2 (3))  
sch 1 pt 2 amdt 1.3 commenced 1 May 2001 (s 2 (3))

as repealed by

#### **Insurance Levy Legislation Repeal Act 2001 No 22 s 4**

notified 19 April 2001 (Gaz 2001 No 16)  
s 1, s 2 commenced 19 April 2001 (IA s 10B) (s 2 (1))  
s 4 commences 1 July 2002 (s 2 (2))

### 4 Amendment history

#### **Commencement**

s 2 om R2 LA

#### **Incorporation of Taxation Administration Act**

s 3 sub 1999 No 5 sch 2

#### **Advance payments**

s 6 om 2001 No 22 amdts 1.2-1.4

#### **Annual levies**

s 7 om 2001 No 22 amdt 1.5

**Annual returns—general insurers**

s 10 am 1999 No 66 sch 3  
om 2001 No 22 amdt 1.6

**Returns by property owners—foreign insurance**

s 14 om 2001 No 22 amdt 1.7

**Amendment of Taxation (Administration) Act 1987**

s 15 om R1 LRA

**Transitional—financial year 1998-99**

s 16 om R2 LA

**5 Earlier republications**

Some earlier republications were not numbered. The number in column 1 refers to the publication order.

Since 12 September 2001 every authorised republication has been published in electronic pdf format on the ACT legislation register. A selection of authorised republications have also been published in printed format. These republications are marked with an asterisk (\*) in column 1. Except for the footer, electronic and printed versions of an authorised republication are identical.

<b>Republication No</b>	<b>Amendments to</b>	<b>Republication date</b>
1	Act 1999 No 5	31 July 1999

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