

Explanatory Statement

Health (Interest Charge) Determination 2006 (No 1)

Disallowable Instrument DI2006-241

made under the

Health Act 1993, s 37 (Payment of Fees and Interest)

This Determination of Fees revokes and replaces the Determination of Fees and Interest DI2004-260, dated 25 November 2004.

The Determination comes into effect on 1 December 2006 and reproduces Determination DI2004-260 except for:

- Increasing interest charges from 13.41% to 14.19%; and
- the date of effect.

Interest charges are based on the following methodology, being the sum of two components:

- A market rate, determined from the average monthly 90-day bank bill rate for the relevant month and set down on the Reserve Bank of Australia web site (the average monthly rate for August 2006 was 6.19%; and
- a premium rate (fixed at 8%).