

## Explanatory Statement

# Health (Interest Charge) Determination 2020 (No 1)

### Disallowable Instrument DI2020-309

made under the

***Health Act 1993, s 193 (Payment of Fees and Interest)***

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This Determination revokes and replaces the Health (Interest Charge) Determination 2019 (No 1) DI2019-221, dated 26 September 2019.

The Determination comes into effect on 1 February 2021 and reproduces Determination DI2019-221 except for:

- decreasing interest charges from 9.11 per cent to 8.07 per cent; 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 October 2020 was 0.07 per cent); and
- a premium rate (fixed at 8 per cent).