

# EXPOSURE DRAFT

2025-2026

The Parliament of the  
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

EXPOSURE DRAFT

## **Payment Entities Supervisory Levy Imposition Bill 2026**

**No. , 2026**

*(Treasury)*

**A Bill for an Act to impose a levy on regulated  
entities**

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1 **A Bill for an Act to impose a levy on regulated**  
2 **entities**

3 The Parliament of Australia enacts:

4 **Part 1—Preliminary**  
5

6 **1 Short title**

7 This Act is the *Payment Entities Supervisory Levy Imposition Act*  
8 *2026*.

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## Part 1 Preliminary

### Section 2

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#### 1 **2 Commencement**

- 2 (1) Each provision of this Act specified in column 1 of the table  
3 commences, or is taken to have commenced, in accordance with  
4 column 2 of the table. Any other statement in column 2 has effect  
5 according to its terms.

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#### Commencement information

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Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	At the same time as Division 1 of Part 8 of Schedule 1 to the <i>Treasury Laws Amendment Act 2026</i> commences.  However, the provisions do not commence at all if that Division does not commence.	

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- 7 Note: This table relates only to the provisions of this Act as originally  
8 enacted. It will not be amended to deal with any later amendments of  
9 this Act.

- 10 (2) Any information in column 3 of the table is not part of this Act.  
11 Information may be inserted in this column, or information in it  
12 may be edited, in any published version of this Act.

#### 13 **3 Application of this Act**

14 This Act extends to the external Territories.

#### 15 **4 Definitions**

16 In this Act:

17 ***indexation factor*** means the indexation factor calculated under  
18 section 7.

19 ***index number***, for a quarter, means the All Groups Consumer  
20 Price Index number, being the weighted average of the 8 capital  
21 cities, published by the Australian Statistician in respect of that  
22 quarter.

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1            **levy imposition day**, in relation to a regulated entity, for a financial  
2 year, means:

- 3            (a) if the entity is a regulated entity on 1 July of the financial  
4 year—that day; or  
5            (b) in any other case—the day, during the financial year, on  
6 which the entity becomes a regulated entity.

7            **regulated entity** has the same meaning as in the *Payment Entities*  
8 (*Prudential Regulation*) *Act 2026*.

9            **statutory upper limit** means:

- 10           (a) for the financial year commencing on 1 July 2026—  
11 \$10,000,000; or  
12           (b) for a later financial year—the amount calculated by  
13 multiplying the statutory upper limit for the previous  
14 financial year by the indexation factor for the later financial  
15 year.

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## Part 2 Levy

### Section 5

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1 **Part 2—Levy**  
2

3 **5 Imposition of levy**

4 Levy payable in accordance with subsection 8(4AA) of the  
5 *Financial Institutions Supervisory Levies Collection Act 1998* is  
6 imposed.

7 **6 Amount of levy**

8 *Calculation of levy*

9 (1) Subject to subsection (4), the amount of levy payable by a  
10 regulated entity for a financial year is the sum of the restricted levy  
11 component and the unrestricted levy component for the financial  
12 year.

13 *Restricted levy component*

14 (2) The **restricted levy component** for the financial year is:  
15 (a) unless paragraph (b) or (c) applies—the amount that, for the  
16 financial year, is the restricted levy percentage of the  
17 regulated entity's levy base; or  
18 (b) if the amount worked out under paragraph (a) is more than  
19 the maximum restricted levy amount for the financial year—  
20 the maximum restricted levy amount; or  
21 (c) if the amount worked out under paragraph (a) is less than the  
22 minimum restricted levy amount for the financial year—the  
23 minimum restricted levy amount.

24 *Unrestricted levy component*

25 (3) The **unrestricted levy component** for the financial year is the  
26 amount that, for the financial year, is the unrestricted levy  
27 percentage of the regulated entity's levy base.

1 *Apportionment of levy*

- 2 (4) If the levy imposition day for the regulated entity for the financial  
3 year is later than 1 July in the financial year, the amount of levy  
4 payable by the regulated entity is the amount worked out using the  
5 following formula:

$$\frac{\text{The amount worked out under subsection (1) in the financial year}}{\text{The number of days in the financial year}} \times \left( 1 + \frac{\text{The number of days in the financial year after the levy imposition day}}{\text{The number of days in the financial year}} \right)$$

6  
7 *Minister to determine certain matters*

- 8 (5) The Minister is, by legislative instrument, to determine the  
9 following:  
10 (a) the **maximum restricted levy amount** for each financial year;  
11 (b) the **minimum restricted levy amount** for each financial year;  
12 (c) the **restricted levy percentage** for each financial year;  
13 (d) the **unrestricted levy percentage** for each financial year;  
14 (e) how a **regulated entity's levy base** is to be worked out.
- 15 (6) An amount determined under subsection (5) as the maximum  
16 restricted levy amount for a financial year must not exceed the  
17 statutory upper limit for the financial year.
- 18 (7) The Minister's determination under subsection (5) of how a  
19 regulated entity's levy base is to be worked out is to include, but is  
20 not limited to, a determination of the day as at which the regulated  
21 entity's levy base is to be worked out. That day must be:  
22 (a) if the regulated entity was a regulated entity at all times from  
23 and including 17 March of the previous financial year to and  
24 including the following 30 June—a day in the period from  
25 and including that 17 March to and including the following  
26 14 April; or  
27 (b) if the regulated entity was not a regulated entity at all times  
28 from and including 17 March of the previous financial year  
29 to and including the following 30 June—the day after that

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## Part 2 Levy

### Section 7

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1 17 March when the regulated entity became, or becomes, a  
2 regulated entity.

3 (8) A determination under subsection (5) may make different provision  
4 for different classes of regulated entities.

#### 5 **7 Calculation of indexation factor**

6 (1) The *indexation factor* for a financial year is the number worked  
7 out by:

8 (a) ascertaining the index number for the most recent quarter for  
9 which the Australian Statistician has published an index  
10 number, as at the start of the day on which the Minister  
11 makes the first determination under subsection 6(5) of an  
12 amount or percentage for the financial year; and

13 (b) dividing that index number by the index number for the  
14 quarter 12 months before the quarter mentioned in  
15 paragraph (a); and

16 (c) adding 0.030 to the number worked out under paragraph (b).

17 (2) The indexation factor is to be rounded to 3 decimal places  
18 (rounding up if the fourth decimal place is 5 or more).

19 (3) Amounts are to be worked out under subsection (1):

20 (a) using only the index numbers published in terms of the most  
21 recently published index reference period for the Consumer  
22 Price Index; and

23 (b) disregarding index numbers published in substitution for  
24 previously published index numbers (except where the  
25 substitution is to transition to a new index reference period).