



13 June 2017

TO: ALL AUTHORISED DEPOSIT-TAKING INSTITUTIONS (ADIs)

CONSULTATION ON PROPOSED ATO MAJOR BANK LEVY DATA COLLECTION

On 30 May 2017, the Treasurer introduced the *Major Bank Levy Bill 2017* to Parliament, together with the *Treasury Laws Amendment (Major Bank Levy) Bill 2017* (TLAB). These bills relate to the major bank levy announced by the Commonwealth Government in the 2017/18 Budget.

The *Financial Sector (Collection of Data) Act 2001* (FSCODA) provides the Australian Prudential Regulation Authority (APRA) with the authority to collect information from financial sector entities. The TLAB will amend FSCODA to explicitly provide that its purpose includes the collection of data relating to the proposed *Major Bank Levy Act* (MBLA). The TLAB would also make further changes to facilitate the sharing of any such collection with the Australian Taxation Office (ATO).

Although the proposed legislation is still before Parliament, APRA has been asked by the Treasurer to begin the process of determining a reporting standard to facilitate the administration of the major bank levy. Determination of this reporting standard will be subject to Parliament passing the proposed legislation.

In response to the Treasurer's request, APRA has today released for consultation a draft of *Reporting Standard ARS 760.0 ATO collection for Major Bank Levy Act 2017* (ARS 760). This reporting standard is intended to collect information relevant to the major bank levy, using the definitions and methodology set out in the MBLA, for provision to the ATO.

ARS 760 will collect amounts specified in the proposed MBLA necessary to calculate the levy base. The proposed MBLA also specifies those amounts that should be valued based on the last day of the quarter, those which should use a quarterly average value and the basis of calculation for data to be provided, by requiring amounts to be worked out in accordance with accounting principles (within the meaning of the *Income Tax Assessment Act 1997*). These have been incorporated into the draft ARS 760 that is being released for consultation.

Only an ADI that exceeds the levy threshold set out in the proposed MBLA will be required to report under ARS 760. ARS 760 is proposed to be submitted on a quarterly basis, and would normally be due 28 calendar days after the end of the quarter. As indicated in the Explanatory Memorandum for the *Major Bank Levy Bill 2017*, for the first reporting period ended 30 September 2017, the due date would be 28 January 2018.

A draft of the reporting standard is available on the APRA website at:

<http://www.apra.gov.au/CrossIndustry/Consultations/Documents/ARS760%20ATO%20collection%20for%20Major%20Bank%20Levy%20Act.pdf>

APRA seeks feedback on the design of the proposed reporting form and instructions included in the draft reporting standard. Written submissions on the proposal should be sent to Statistics@apra.gov.au by 20 June 2017 and addressed to:

Senior Manager Data Collection, Statistics
Australian Prudential Regulation Authority

Yours sincerely,



Katrina Ellis
General Manager
Statistics

Important disclosure notice – publication of submissions

All information in submissions will be made available to the public on the APRA website unless a respondent expressly requests that all or part of the submission is to remain in confidence. Automatically generated confidentiality statements in emails do not suffice for this purpose. Respondents who would like part of their submission to remain in confidence should provide this information marked as confidential in a separate attachment.

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