

## Building Administration Fee and Industry Training Levy Guideline 2016

### Purpose

The purpose of this Guideline is to give an overview of two payments required to be paid under Tasmanian legislation and their differences.

### Background

In addition to local government building and plumbing fees and charges, councils also collect a Building Administration Fee and a Building and Construction Industry Training Levy on behalf of government bodies. The Building Administration Fee (BAF) is administered by Consumer, Building and Occupational Services (CBOS) while the Industry Training Levy is administered by the Tasmanian Building and Construction Industry Training Board (TBCITB).

### Building Administration Fee (BAF) introduced

The Building Administration Fee (previously known as the Building Permit Levy) will be introduced on 1 January 2017 with the commencement of the *Building Act 2016*. Further information relating to the BAF can be found in Part 21, Division 1 of the [Building Act 2016](#) or can also be accessed via the [CBOS website](#).

### Key features of the BAF

- The BAF threshold is work costing \$20,000 or more.
- It applies to building and demolition work and any associated plumbing work.
- The rate of the fee is then calculated as 0.1% of the total cost of that work.
- It is payable to the Permit Authority as follows:
  1. In respect of Permit Work, at the time a permit is granted in respect of the work;
  2. In respect of Notifiable Work, at the time a Certificate of Likely Compliance is issued in respect of the work. As a Notification of the signing of that Certificate of Likely Compliance is to be provided to be the Permit Authority within 7 business days, the fee is to be paid to it within that period;
  3. In respect of Low-Risk Work, within 7 business days after that work is completed. (Note that for any Low Risk Work where the Industry Training Levy is also payable, that levy must be paid prior to that work commencing).
- A Determination by the Director of Building Control of Categories of Building or Demolition Work establishes whether types of work are either Low-Risk, Notifiable or Permit Work. Whether a specific project fits in a particular risk category can be

determined by a licensed building surveyor, the licensed builder, or (for Low Risk Work) the owner.

- The cost of any Permit or Notifiable work is determined by the contract amount. If a contract with the builder has not yet been entered, or for owner builder work, an estimate by the building surveyor is required.
- This fee is paid into a State Government Building Administration Fund for development of a better regulatory environment for Tasmania's building industry.
- The BAF Return Certificate, formerly known as the LC (Levy Calculator) Form, is used by Permit Authorities when collecting and administering the Building Administration Fee.
- Provisions relating to the Building Administration Fee can be found in Section 296 of the *Building Act 2016*.
- The *Building Act 2016* and *Building Regulations 2016* are administered by Consumer, Building and Occupational Services (Department of Justice). Contact details are phone 1300 654 499 or email [cbosinfo@justice.tas.gov.au](mailto:cbosinfo@justice.tas.gov.au)

### **Industry Training Levy (*This levy is not administered by CBOS*)**

- The Industry Training Levy was introduced in 1991 under the *Building and Construction Industry Training Fund Act 1990*.
- That Act has been recently amended to be broadly consistent with the application of the BAF provisions of the *Building Act 2016*.
- The application of the training levy to types of work is much broader than the BAF. It is payable on any building or construction project (including civil construction works) over \$20,000 and is calculated as 0.2% of the estimated cost of the building or construction work as indicated in the contract or on the building application form.
  - The levy must be paid to the Permit Authority or nominated collection agency as follows:
    1. In respect of Permit work, at the time a permit is granted in respect of the work;
    2. In respect of Notifiable work, at the time a Certificate of Likely Compliance is issued in respect of the work;
    3. In respect of Low-Risk work, before the work is started.
- The levy is paid into an Industry Training Fund for workforce development programs through the TBCITB.
- For further information on the Industry Training Levy contact the TBCITB. Phone (03) 6223 7804
- Email: [email@tbcitb.com.au](mailto:email@tbcitb.com.au) Website: [www.tbcitb.com.au](http://www.tbcitb.com.au)

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Guideline Version 1.1  
23 December 2016