



Workers Compensation (Insurance Premiums) Amendment (Miscellaneous) Regulation 2000

under the

Workers Compensation Act 1987 and the Workplace Injury Management and Workers Compensation Act 1998

His Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Workers Compensation Act 1987* and the *Workplace Injury Management and Workers Compensation Act 1998*.

JOHN DELLA BOSCA, M.L.C.,
Special Minister of State

Explanatory note

The object of this Regulation is to amend the *Workers Compensation (Insurance Premiums) Regulation 1995* to make provision for the following:

- (a) requiring employers, prior to the issue or renewal of any policy of insurance, to inform their workers compensation insurers of the extent of their GST input tax credit entitlement for the purpose of facilitating the calculation of premiums,
- (b) excluding from the calculation of the cost of an individual claim the amount of any entitlement of the insurer to an input tax credit or decreasing adjustment under GST legislation in respect of payments, fees, expenses and costs included in the cost of the claim,
- (c) clarifying that the amount currently paid by employers as a first instalment of insurance premiums is payable as a deposit.

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Explanatory note

This Regulation is made under the *Workers Compensation Act 1987*, including section 280 (the general regulation-making power), and the *Workplace Injury Management and Workers Compensation Act 1998*, including section 248 (the general regulation-making power).

Workers Compensation (Insurance Premiums) Amendment (Miscellaneous) Regulation 2000

1 Name of Regulation

This Regulation is the *Workers Compensation (Insurance Premiums) Amendment (Miscellaneous) Regulation 2000*.

2 Commencement

This Regulation commences on 30 June 2000.

3 Amendment of Workers Compensation (Insurance Premiums) Regulation 1995

The *Workers Compensation (Insurance Premiums) Regulation 1995* is amended as set out in Schedule 1.

4 Notes

The explanatory note does not form part of this Regulation.

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Schedule 1 Amendments

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(Clause 3)

[1] Clause 3 Definitions

Insert in alphabetical order:

decreasing adjustment has the same meaning as in the *A New Tax System (Goods and Services Tax) Act 1999* of the Commonwealth.

GST has the same meaning as in the *A New Tax System (Goods and Services Tax) Act 1999* of the Commonwealth.

input tax credit entitlement, in relation to an employer, means the amount of input tax credit that may be claimed by the employer in accordance with the *A New Tax System (Goods and Services Tax) Act 1999* of the Commonwealth in respect of the issue or renewal of a policy of insurance expressed as a percentage of the GST payable by the employer in respect of the issue or renewal of that policy.

[2] Part 2B

Insert after clause 9:

Part 2B Notice of input tax credit entitlement

9A Employer to give insurer notice of input tax credit entitlement

For the purpose of enabling a premium to be calculated, an employer must, prior to the commencement of the period of insurance for which the premium is to be calculated, notify the insurer concerned in writing of the employer's input tax credit entitlement in relation to the payment of the premium for that policy of insurance.

[3] Clause 11 Cost of an individual claim

Insert at the end of clause 11(2) (e):

, and

- (f) is to be reduced by an amount that is the most accurate estimation for the time being by the insurer of the amount of any input tax credit or decreasing adjustment that may be claimed or has been claimed by the insurer in respect of the payments, fees, expenses or costs included in the cost of the individual claim under subclause (1), pursuant to the *A New Tax System (Goods and Services Tax) Act 1999* of the Commonwealth.

[4] Clause 23 Policies under which premiums may be paid by instalments

Omit clause 23 (2). Insert instead:

- (2) Payment of the required instalments deposit within 1 month after the commencement of the period of insurance constitutes an election to pay by instalments.
- (3) For the purposes of this Part, the *required instalments deposit* is, subject to clause 24 (3), an amount equal to one-third of the estimated premium for the policy.

[5] Clause 24 Number, size and times for payments of instalments

Omit clause 24 (1). Insert instead:

- (1) If an employer elects to pay the premiums under a policy of insurance by instalments and pays the required instalments deposit within 1 month after the commencement of the period of insurance, the premiums are payable in instalments as follows:
Instalment No. 1 Payment to be made within 4 months after the commencement of the period of insurance. The amount of the instalment is to be the amount by which two-thirds of the estimated premium for the policy exceeds the amount paid as the required instalments deposit.

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Schedule 1 Amendments

Instalment No. 2 Payment to be made within 8 months after the commencement of the period of insurance. The amount of the instalment is to be the balance of the estimated premium for the policy taking into account the instalment and the required instalments deposit already paid

Adjustment of Premium Payment to be made within 1 month after service on the employer of a notice that payment of such an adjustment is due. The amount of such an adjustment is the amount by which the actual premium payable for a policy exceeds the amounts already paid by way of instalments and required instalments deposit.

[6] Clause 24 (3)

Omit the subclause. Insert instead:

- (3) If the estimated premium for the policy cannot be determined by the time the required instalments deposit is required to be paid, the amount of the required instalments deposit is to be:
 - (a) one third of the estimated premium for the employer for the previous period of insurance, or
 - (b) if there was no such previous period of insurance—\$800 or such greater amount as the employer and the insurer may agree.

BY AUTHORITY