

EXPLANATORY MEMORANDUM

BUILDING SERVICES LEVY BILL 2010

INTRODUCTION

The *Building Services Levy Bill 2010* (the Bill) provides for a levy to be imposed on persons to whom permits and building approval certificate are granted under the *Building Bill 2010*.

This Bill is part of a comprehensive suite of bills that reform the regulation of building services in Western Australia. The levy will be used to fund the operations of the Building Commission Division of the Department of Commerce in its role as regulator of the building industry in Western Australia.

The levy replaces the levy under section 4B of the *Builders' Registration Act 1939*. This Bill has been produced as a stand-alone bill as Parliament requires that taxing provisions are included in separate bills.

CLAUSE NOTES

Long Title The long title sets out the purpose of the Bill, which is to impose a levy in respect of certain authorisations of building services.

Clause 1 Short title

This clause formally titles the Act.

Clause 2 Commencement

Provides for the Act to come into operation on a day fixed by proclamation. Clause 3 comes into operation the same day as section 94 of the *Building Services (Complaint Resolution and Administration) Bill 2010* comes into operation.

The Act is drafted on the assumption that the *Building Bill 2010*, the *Building Services (Complaint Resolution and Administration) Bill 2010* and the *Building Services (Registration) Bill 2010* will be enacted at the same time.

Clause 3 Imposition of building services levy

This clause provides for a levy to be imposed through regulations prescribed under clause 94 of the *Building Services (Complaint Resolution and Administration) Bill 2010* on the following permits and certificates issued under the *Building Bill 2010*:

- building, demolition and occupancy permits; and
- building approval certificates.

The amount of the levy will be set out in the regulations prescribed under clause 94 of the *Building Services (Complaint Resolution and Administration) Bill 2010*. It is also intended to apply the levy at double the rate for occupancy permits and building approval certificates used to retrospectively authorise building work, to act as a further disincentive to undertaking work without a building permit.

The levy will be collected by the relevant permit authority (i.e. Local Governments) and remitted to the Building Commission.