



# **Medical Indemnity (Enhanced UMP Indemnity) Contribution Act 2002**

**No. 134, 2002**

**An Act to impose a tax on certain members and  
former members of United Medical Protection  
Limited, and for related purposes**

Note: An electronic version of this Act is available in SCALEplus  
(<http://scaleplus.law.gov.au/html/comact/browse/TOCN.htm>)



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# Medical Indemnity (Enhanced UMP Indemnity) Contribution Act 2002

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## **An Act to impose a tax on certain members and former members of United Medical Protection Limited, and for related purposes**

*[Assented to 19 December 2002]*

The Parliament of Australia enacts:

### **1 Short title**

This Act may be cited as the *Medical Indemnity (Enhanced UMP Indemnity) Contribution Act 2002*.

## 2 Commencement

This Act commences, or is taken to have commenced, on 1 January 2003.

## 3 Definitions

- (1) In this Act, unless the contrary intention appears:

***claim***, in relation to a payment, has the same meaning as in the Medical Indemnity Agreement under which the payment is made.

***contribution year*** has the meaning given by subsections 5(4) and (5).

***enhanced UMP indemnity contribution*** means the contribution that is payable under Division 2 of Part 3 of the *Medical Indemnity Act 2002*.

***finalised***, in relation to a claim in relation to which a payment is made, has the same meaning as in the Medical Indemnity Agreement under which the payment is made.

***imposition day*** has the meaning given by subsection 5(6).

***Medical Indemnity Agreement*** has the same meaning as in the *Medical Indemnity Agreement (Financial Assistance—Binding Commonwealth Obligations) Act 2002*.

***member*** has the same meaning as in the *Medical Indemnity Act 2002*.

***notified***, in relation to a claim in relation to which a payment is made, has the same meaning as in the Medical Indemnity Agreement under which the payment is made.

***UMP*** means United Medical Protection Limited.

- (2) A reference in this Act to United Medical Protection Limited is a reference to the body corporate that had that name on 1 July 2002.

#### **4 Imposition of enhanced UMP indemnity contribution**

On the imposition day for each contribution year, an enhanced UMP indemnity contribution is imposed as a tax on each person who was a member of UMP on 1 July 2002.

#### **5 Contribution years and imposition days**

##### *Contribution years*

- (1) The Minister may declare, in writing, that a financial year is the first contribution year.
- (2) The Minister may make a declaration under subsection (1) only if the Commonwealth pays an amount under a Medical Indemnity Agreement.
- (3) A declaration under subsection (1) is a disallowable instrument for the purposes of section 46A of the *Acts Interpretation Act 1901*.
- (4) Subject to subsection (5), each of the following is a **contribution year**:
  - (a) the financial year declared by the Minister under subsection (1) to be the first contribution year; and
  - (b) each succeeding financial year.
- (5) The regulations may declare that a financial year specified in the regulations is the last contribution year. If they do so, no subsequent financial year is a contribution year.

##### *Imposition days*

- (6) The **imposition day** for a contribution year is:
  - (a) 1 August in the contribution year; or
  - (b) such other day as is specified in the regulations as the imposition day for the contribution year.

#### **6 Amount of enhanced UMP indemnity contribution**

- (1) Subject to the regulations made for the purposes of subsection (3), the amount of the enhanced UMP indemnity contribution imposed

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on a person for a contribution year is worked out using the following formula:

$$\frac{\text{Commonwealth payments for the previous financial year}}{\text{Number of members}}$$

where:

**Commonwealth payments for the previous financial year** is the sum of the relevant amounts that the Commonwealth paid in the financial year that ends immediately before the contribution year starts.

**number of members** is the number of people who were members of UMP on 1 July 2002.

(2) In subsection (1):

**relevant amount** means an amount the Commonwealth pays under a Medical Indemnity Agreement in relation to:

- (a) a claim notified before 29 April 2002 and finalised after 30 June 2002; and
  - (b) a claim notified on or after 1 July 2002 (other than a claim in relation to an incident that occurred between 29 April 2002 and 30 June 2002).
- (3) The regulations may provide that the amount of the enhanced UMP indemnity contribution imposed for a contribution year on persons specified in the regulations is the amount specified in, or worked out in accordance with, the regulations.
- (4) The amount payable by a person for a contribution year in accordance with the regulations made for the purposes of subsection (3) must be less than the amount that would be payable by the person for that contribution year under subsection (1).

## 7 Regulations

The Governor-General may make regulations prescribing matters:

- (a) required or permitted by this Act to be prescribed; or
- (b) necessary or convenient to be prescribed for carrying out or giving effect to this Act.

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*[Minister's second reading speech made in—  
House of Representatives on 13 November 2002  
Senate on 9 December 2002]*

(239/02)