

EXPLANATORY STATEMENT

Issued by authority of the Acting Minister for Revenue and Financial Services

Corporations (Fees) Act 2001

ASIC Supervisory Cost Recovery Levy (Consequential Amendments) Regulations 2017

The *Corporations (Fees) Act 2001* (the Act) imposes fees for chargeable matters under the *Corporations Act 2001*.

Section 8 of the Act provides that the Governor-General may make regulations for the purposes of sections 5, 5A, 6 and 6A of the Act.

The *ASIC Supervisory Cost Recovery Levy (Consequential Amendments) Regulations 2017* (the Regulations) complement the *ASIC Supervisory Cost Recovery Levy Regulations 2017* (the Levy Regulations) by making consequential amendments to the *Corporations (Fees) Regulations 2001*.

The Levy Regulations impose a levy on entities regulated by the Australian Securities and Investments Commission (ASIC) to recover its regulatory costs. The Regulations complement the Levy Regulations by:

- reducing the cost of prescribed lodgement for registered liquidators to \$5; and
- repealing redundant regulations that relate to sections in the Act dealing with ASIC's Market Supervisory Cost Recovery regime which has been repealed under the *ASIC Supervisory Cost Recovery Levy (Consequential Amendments) Act 2017*.

The prescribed lodgements for registered liquidators will be reduced to \$5 as they relate to activities that will be cost recovered under the Levy Regulations. The lodgement fee will be reduced to \$5 until the current information technology portal can be modified to accept the lodgements without requiring a fee to be paid.

The total amount of fees recovered through the prescribed lodgements from 1 July 2017 will be deducted from ASIC's regulatory costs for regulating liquidators under the Levy Regulations to ensure that the Government does not recover an amount greater than ASIC's regulatory costs.

The proposed regulations also amend the *Corporations (Fees) Amendment Regulations 2016* to prevent those regulations from making conflicting changes when they come into effect on 1 September 2017.

There was no public consultation on the regulations because they are technical consequential changes necessary to support the Levy Regulations.

The Act does not specify any conditions that need to be satisfied before the power to make the proposed Regulations may be exercised.

The proposed Regulations are a legislative instrument for the purposes of the *Legislation Act 2003*.

Part 1 of Schedule 1 of the Regulations will commence at the same time as the *ASIC Supervisory Cost Recovery Levy Act 2017*. Part 2 of Schedule 1 of the Regulations will commence on the later of the start of Part 1 of Schedule 1 and 1 September 2017.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

ASIC Supervisory Cost Recovery Levy (Consequential Amendments) Regulations 2017

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

The Regulations complement the *ASIC Supervisory Cost Recovery Levy Regulations 2017* (the Levy Regulations) by making consequential amendments to the *Corporations (Fees) Regulations 2001* to:

- reduce the cost of prescribed lodgement for registered liquidators to \$5; and
- repeal redundant regulations that relate to sections in the *Corporations (Fees) Act 2001* dealing with ASIC's Market Supervisory Cost Recovery regime which has been repealed under the *ASIC Supervisory Cost Recovery Levy (Consequential Amendments) Act 2017*.

Human rights implications

This Legislative Instrument does not engage any of the applicable rights or freedoms.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.