



levy information

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Overview of the Portable Long Service Leave Levy

Under the *Building and Construction Industry (Portable Long Service Leave) Act 1991* (the Act) all building and construction work where the total cost of work is \$150,000 or more, to be carried out in Queensland, must be notified to QLeave. The applicable levies must be paid prior to the issue of a development permit for building work, plumbing and drainage work, or operational work, or, if no development permit is given, before the work starts. The portable long service leave levy funds the Building and Construction Industry (Portable Long Service Leave) Scheme in Queensland.

Definition of building and construction work

Section 3AA of the Act states:

- (1) The building and construction industry is the industry of constructing, deconstructing, reconstructing, renovating, altering, demolishing, relocating, maintaining or repairing any of the following—
- (a) buildings;
 - (b) spa pools and swimming pools;
 - (c) roads, railways, airfields or other works for the passage of anything;
 - (d) breakwaters, docks, jetties, piers or wharves;
 - (e) works for solid waste disposal;
 - (f) works for subdividing or developing land;
 - (g) works for the improvement or alteration of a harbour, river or watercourse for navigation purposes;
 - (h) works for the storage or supply of water or for flood mitigation;
 - (i) works for the irrigation of land;
 - (j) works for the conveyance, treatment or disposal of sewage or of the effluent from any premises;
 - (k) works for extracting, refining, processing or treating materials or for producing or extracting products and by products from materials;
 - (l) works for conveying products, by-products or materials;
 - (m) works for the drainage of land;
 - (n) works for the storage of liquids, other than water, or gases;
 - (o) works for the generation, supply or transmission of electric power;
 - (p) works for telecommunication or for the transmission of radio or television;
 - (q) bridges, viaducts, aqueducts or tunnels;
 - (r) chimney stacks, cooling towers, drilling rigs, gas holders or silos;
 - (s) pipe lines;
 - (t) navigational lights, beacons or markers;
 - (u) pile driving works;
 - (v) sporting or recreational facilities;
 - (w) earthworks, other than for farming;
 - (x) fences, other than fences on farms;
 - (y) structures, fixtures or other works not included in paragraphs (a) to (x), but not including earthworks for farming or fences on farms.
- (2) The building and construction industry also includes landclearing and site preparation, other than for farming.

- (3) The building and construction industry also includes the industry of, whether on or off site –
 - (a) constructing a thing, other than ordinary stock for sale, in accordance with working drawings; or
 - (b) deconstructing, reconstructing, renovating, altering, demolishing, relocating, maintaining or repairing a thing, other than ordinary stock for sale, constructed in accordance with working drawings.
- (4) The building and construction industry does not include the industry of performing maintenance or repairs of a minor nature to anything mentioned in subsection (1) or (3) for a person not substantially engaged in activity mentioned in subsection (1), (2), or (3).

Meaning of cost of building and construction work (s73)

- (1) The cost of building and construction work is the total of all costs (excluding GST) that relate to the work directly or indirectly, less any exempt costs.
Examples of costs – costs of labour, materials, plant, equipment, design, project management, consultancy, prefabricated goods, commissioning and installation.
- (2) Without limiting subsection (1), the total of all costs –
 - (a) includes the direct and indirect cost of all materials –
 - (i) manufactured, purchased, acquired or otherwise sourced interstate or overseas; and
 - (ii) used for the work in Queensland; and
 - (b) may be ascertained having regard to –
 - (i) the contract price for the work; or
 - (ii) if the work is being done for someone other than the Commonwealth and involves more than 1 contract, the total of the contract prices.
- (3) Despite subsections (1) and (2), if there is no contract price or the authority is satisfied that the contract price, or the total of the contract prices, for carrying out the building and construction work does not accurately establish that the total of all costs relate to the work, the cost may be decided by the authority.
- (4) In this section exempt costs, for building and construction work, means costs (excluding GST) that relate directly or indirectly to the preparation of the following for the work –
 - (a) an environmental impact statement;
 - (b) a feasibility study.

(Please see the Act for definitions of these exemptions.)

As the levies are payable in advance, QLeave will accept a reasonable estimate of the cost of work, subject to reconciliation on completion.

QLeave may request documentation to verify the cost of work stated on the Building and Construction Industry Notification and Payment form [s80(2)]. If QLeave believes that the notified cost of work does not accurately establish the total of all costs that relate to the work, QLeave may determine the cost of work [s73(3)].

Variations to the cost of work

As the levies are payable prior to the commencement of work, the initial payment may need to be based on an estimate.

If the cost of work decreases by \$20,000 or more, or drops below \$150,000, or the work does not commence and will not commence in the future, a partial or full refund may apply [s81].

If the cost of work increases by \$20,000 or more, additional levies are payable on the difference between the total final cost of work and the original amount notified to QLeave [s80(6)].

If the cost of work increases by \$50,000 or more, the person for whom the work was done must notify QLeave of the total final cost within 30 days of the work ending and make the appropriate payment [s67(4)]. Failure to do so may result in penalties being imposed.

Variations in costs must be notified directly to QLeave by email, fax, letter or response to a Project Finalisation Letter.

Please note: additional levies are calculated at the current rate – being the rate when QLeave is notified of the increased cost of work [s80(8)].

Levies

For the current combined levies rate visit www.qleave.qld.gov.au or contact 1800 803 481.

The total levies include:

- Work Health and Safety (Queensland) levy
- Construction Skills Queensland training levy
- QLeave Portable Long Service Leave levy

Notification and payment

WHO IS LIABLE TO NOTIFY? (s67)

Notification of a project should be by, or for, the person for whom the work is to be done.

WHO IS LIABLE TO PAY? (s74)

1. If the work is being done for the Commonwealth, the Contractor engaged by the Commonwealth is liable.
2. If the work is being done for a Local Government, Government entity or non-Queensland Government entity, the local government or entity is liable.
3. If an application is made for a development permit for building work, plumbing or drainage work or operational work, the applicant is liable.
4. In all other cases, the person for whom the work is to be done is liable for payment.

WHEN TO NOTIFY AND PAY (s75)

QLeave must be notified and the applicable levies must be paid:

- prior to the issue of a development permit, or
- if no permit is given, before the work starts.

Failure to pay the levies for building and construction work, before the work starts, could result in interest accruing daily at the rate prescribed in the *Taxation Administration Act 2001* for unpaid tax interest.

HOW TO NOTIFY AND PAY

The following options are available for notification of a project:

- **online** – Notification and Payment forms are available to be completed at www.qleave.qld.gov.au, with the options of:
 - ✔ Printing the two page form for payment at Australia Post, or
 - ✔ Paying online with credit card (Visa or MasterCard) and then printing the receipted Private Certifier/ Council/Payers copies, or
 - ✔ Spreadsheet Notification – go to www.qleave.qld.gov.au to access the information for spreadsheet project notification
- **Australia Post** – Notification and Payment forms are available from Queensland Australia Post offices. The form has two copies which should be kept together and lodged with your payment at Australia Post.
- **directly to QLeave** – Notification and Payment forms are available directly from QLeave and can be lodged at QLeave's Lutwyche office or by mail.

PAYING THE LEVIES BY INSTALMENTS

If the cost of work exceeds \$10 million, and will take longer than one year to complete, QLeave may, at its discretion, allow the levies to be paid by instalments. Applications must be made on the Notification and Payment form by marking the instalment box. The minimum payment of the first instalment is the amount due on \$10 million. This sum is required to be paid when the levies would normally be paid.

QLeave will assess your application and reply in writing if approved. Your instalment plan will be stated in the written response.

CANCELLATIONS

If the work does not go ahead and the project is cancelled you may apply for a refund.

Refunds

It is important that the payer details entered on the Notification and Payment form are correct, as refunds for cancellations and decreases in the cost of work are issued to the payer name provided.

Your written application on the **Application for Levy Refund Form** available at www.qleave.qld.gov.au must include:

1. the receipted copy of the Notification and Payment form (the payer information copy kept by you) AND
2. (a) if a development application was lodged to a Local Council/Private Certifier, confirmation from the Local Council/Private Certifier that a development application has been cancelled; OR
(b) if no development application was lodged, the Local Council/Private Certifiers receipted copy of the Notification and Payment form.

Please provide EFT details for refund payments. Please note, cheques are processed at the end of each month.

Exemptions (s71)

GOVERNMENT: Australian, State or Local - an exemption may be claimed by government bodies for that part of the levies attributable to the value of work carried out by its own workers.

NOT SUBSTANTIALLY ENGAGED (NSE): An exemption may be claimed for that part of the levies attributable to the value of work carried out by a person who is not substantially engaged in the building and construction industry, or their workers or contractors (who are not substantially engaged in the building and construction industry).

NPO: Non-Profit Organisations - an exemption can be claimed for that part of the levies attributable to voluntary labour (that is, the worker is not paid) and materials that have been donated.

OWB: Owner Builder - if the work is covered by an Owner Builder Permit issued by the Queensland Building and Construction Commission (QBCC), QLeave must be notified of the work. However, no payment is required with the form if a valid Owner Builder Permit Number is provided. If you do not provide a valid Owner Builder permit number on the Notification and Payment form, an exemption cannot be given and the full amount must be paid.

For information regarding Owner Builder permits, please contact the QBCC on 139 333 or visit www.qbcc.qld.gov.au

Please note: Your Owner Builder permit number is not your course number. You must apply to the QBCC for an Owner Builder permit after you have completed an Owner Builder course.

MINE SITES: Where work is carried out on a mine site (be it coal, coal seam gas or otherwise) there are several exemptions to paying the levies, as set out in the *Building and Construction Industry (Portable Long Service Leave) Regulation 2013*.

For any exemption sought QLeave is at liberty to request additional documentation.

Amendments to building and construction work details

If the building and construction work is being taken over from another builder (including liquidation or disputes) and QLeave has already been notified and paid, QLeave requires the following information to make amendments to the work already notified:

1. the QLeave levy number (6 digits, starting with A,B or E)
2. the name of the builder/company that the building and construction work is being taken over from
3. the start date of commencement of work
4. if the previous builder did start the work, the cost of work carried out by the previous builder or the percentage of work completed
5. the cost of work for completion of the work
6. the new estimated start/end dates for the work (please note, if the work has already started the start date will not change)
7. the name of the Private Certifier/Local Council.

Any invoices or refunds that result from these levy amendments will be issued to the person or company who notify QLeave, unless otherwise stated.

To ensure the accuracy of our records, all requests for amendments to levy details must be received in writing. These written requests should be from the relevant email address (or faxed or mailed on letterhead) from the Payer, Contact Person, Principal Contractor or Private Certifier.

For all other amendments to project details the following information is required:

1. the Project form number (starting with E, A or B)
2. the information that requires to be changed, such as:
 - correction to the Lot and Plan Number (new subdivisions)
 - amendments to the estimated start and/or end dates
 - a different Assessment Manager (Private Certifier/Local Council)
 - a different Principal Contractor
 - variations to the cost of work
3. a reason explaining the need for the change.

QLeave will respond, by email or fax, to the person requesting the changes, advising that the changes have been made. This process may take up to two business days.



Duty of Assessment Managers (s77)

The Act places a statutory requirement on the Assessment Manager (Local Government or Private Certifier (Class A)) to sight a receipted Building and Construction Industry Notification and Payment form, or formal exemption from QLeave from payment of the levies prior to the issue of a development permit.

Where a development application for building, operational, plumbing or drainage work, with an estimated cost of the proposed work of \$150,000 or more, has been lodged the Local Government or Private Certifier (Class A) must not issue the development permit, or approval, unless they have seen an approved form issued by QLeave (or written advice from QLeave) stating:

- (1) that the levies or the first instalment of the levies have been paid or
- (2) that an exemption from payment of the levies exists in relation to the work or
- (3) that an exemption from immediate payment of the levies exists in relation to the work.

The statutory requirement is only to sight the receipted form. However, Private Certifiers (Class A) and Local Governments should retain the receipted copy of the Notification and Payment form for compliance purposes.

If it appears that the cost of work on the development application or Notification and Payment form is understated, please inform QLeave for investigation.

PAYMENT FOR SIGHTING THE FORM

An Assessment Manager (Local Government or Private Certifier (Class A)) can claim a fee for sighting the Notification and Payment form. The current fee is listed at www.qleave.qld.gov.au

PROVIDING INFORMATION TO QLEAVE

QLeave may require information or documents about building and construction work from any person that QLeave reasonably believes has information or documents about the work [s80(2)].

Under this power, QLeave may request a Private Certifier (Class A) or Local Governments to provide a copy of a development application and other documents for the purposes of administering the Act.



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Levy Payers Helpline

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