

ASIC industry funding factsheet

March 2018



ASIC

Australian Securities & Investments Commission

The Government has introduced new laws that change the way ASIC is funded. ASIC's regulatory costs will be allocated across 48 industry subsectors based on the actual costs of ASIC's regulation of each subsector in the previous financial year.

Key dates for the first year

March 2018:	ASIC will publish indicative levies for FY 2017–18 for 35 out of 48 subsectors, based on available data and our forecast regulatory costs for the period.
June 2018:	ASIC will publish indicative levies for FY 2018–19.
July 2018:	New fees for service commence (subject to legislation). Annual review fees increase by \$4 for small proprietary companies.
July to September 2018:	All organisations regulated by ASIC (except small proprietary companies) must visit the ASIC Regulatory Portal and submit or validate business activity metrics for FY 2017–18.
November 2018:	ASIC will publish our regulatory costs for FY 2017–18, as well as FY 2017–18 levies by subsector.
January 2019:	ASIC will issue invoices to industry for levies based on our FY 2017–18 regulatory costs. Organisations must pay their invoices within 30 business days or face penalties.
March 2019 onwards:	ASIC will pursue late payments.

What does my organisation need to do?

In **June**, ASIC will send a letter to the person listed as the ASIC contact for your organisation. It will contain a **security key** for the new ASIC Regulatory Portal, unique to your organisation.

If you receive this letter you will need to submit or validate business activity metrics via the portal by **30 September 2018**.

Small proprietary companies not operating in one of the 48 subsectors will not need to visit the portal, or submit or validate business activity metrics. They will pay an additional \$4 as part of their annual review fee.

What will my organisation pay?

In **March 2018**, ASIC will publish indicative levies for approximately 80% of the organisations we regulate, to help them plan ahead. We cannot provide indicative levies for the remaining 20%, in the absence of industry data. This data will be provided to ASIC by industry between July and September 2018.

Levy types

An organisation's levy for a financial year will be equal to its share of flat and graduated levies for each subsector it is a part of in the financial year.

Flat levy

A flat levy will share the total cost of regulating a subsector equally among the entities operating in that subsector.



Graduated levy

A graduated levy will include two components: a minimum amount paid by all entities in a subsector, and a graduated amount based on each entity's size or level of business activity.



Subsectors with flat levies

- ♦ Australian derivative trade repository operators*
- ♦ Credit rating agencies
- ♦ Custodians
- ♦ Exempt clearing and settlement (CS) facility operators*
- ♦ Exempt market operators*
- ♦ Insurance product distributors
- ♦ Large futures exchange operators*
- ♦ Large proprietary companies
- ♦ Licensees that provide general advice only
- ♦ Licensees that provide personal advice to retail clients on products that are not relevant financial products
- ♦ Licensees that provide personal advice to wholesale clients only
- ♦ Managed discretionary account (MDA) providers
- ♦ Margin lenders
- ♦ Overseas market operators*
- ♦ Payment product providers (FY 2017–18)
- ♦ Registered company auditors
- ♦ Retail over-the-counter (OTC) derivatives issuers
- ♦ Risk management product providers
- ♦ Small derivatives market operators*
- ♦ Small futures exchange operators*
- ♦ Small securities exchange operators*
- ♦ Small securities exchange operators with self-listing function only*
- ♦ Tiers 1–4 CS facility operators*
- ♦ Traditional trustee company service providers
- ♦ Unlisted public companies
- ♦ Wholesale electricity dealers
- ♦ Wholesale trustees (FY 2017–18)

Small proprietary companies

ASIC's regulatory costs for small proprietary companies will be collected through an increase of \$4 to their annual review fee, from 1 July 2018.

This was designed as the most efficient way to recover ASIC's regulatory costs for small proprietary companies while minimising their reporting burden.

Subsectors with graduated levies

Subsector	Minimum levy	Metric for graduated levy
Auditors of disclosing entities	N/A	Audit fee revenue
Corporate advisers	\$1,000	Gross revenue – above \$100,000
Credit intermediaries	\$1,000	Number of credit representatives
Credit providers (including small credit amount providers)	\$2,000	Gross credit provided – above \$100m (non-small contracts) and gross credit provided (small amount contracts)
Deposit product providers	\$2,000	Deposits held – above \$10m
Insurance product providers	\$20,000	Premiums/revenue less reinsurance expenses – above \$5m
Investor directed portfolio services (IDPS) operators	\$10,000	Gross revenue from IDPS activity
Large futures exchange participants	\$9,000	Number of messages and transactions
Large securities exchange operators	N/A	Total transaction value
Large securities exchange participants	\$9,000	Number of messages and transactions
Licensees that provide personal advice to retail clients on relevant financial products	\$1,500	Adjusted number of relevant advisers
Listed corporations	\$4,000	Market capitalisation – above \$5m, up to \$20bn
OTC traders	\$1,000	Number of persons engaged in OTC trading activities
Payment product providers (FY 2018–19)	\$2,000	Gross revenue less dealing expenses
Registered liquidators	\$2,500	Number of appointments and notifiable events
Responsible entities	\$7,000	Adjusted asset value – above \$10m
Securities dealers	\$1,000	Total transaction value
Superannuation trustees	\$18,000	Adjusted asset value – above \$250m
Wholesale trustees (FY 2018–19)	\$1,000	Adjusted asset value

*Levy is charged per market/facility/repository, not per entity