



Annual Titles Administration Levy— remittals and refunds

1. Purpose

The purpose of this document is to outline the National Offshore Petroleum Titles Administrator's (NOPTA's) policy in relation to remittals or refunds of the annual titles administration levy (**the levy**).

1.1 Relevant legislation

- [Offshore Petroleum and Greenhouse Gas Storage Act 2006 \(OPGGSA\)](#) s695M
- [Offshore Petroleum and Greenhouse Gas Storage \(Regulatory Levies\) Act 2003 \(Regulatory Levies Act\)](#) s10E
- [Offshore Petroleum and Greenhouse Gas Storage \(Regulatory Levies\) 2004 \(Regulatory Levies Regulations\)](#) regulation 59AA

2. Background

On 18 January 2015, section 695M of the OPGGSA and section 10E of the *Regulatory Levies Act* were amended to allow NOPTA to impose the levy when a title is not in force for the whole year. Prior to this amendment NOPTA was only able to impose a levy if a title was in force for 12 months.

The inclusion of regulation 59AA in the *Regulatory Levies Regulations* will enable a pro-rata remittal or refund of the levy to titleholders, if the title was not in force for the full year in which the levy was imposed. It will also allow for refunds if the title has been surrendered.

This change will affect all titles for which the anniversary of the date of grant falls on or after **18 January 2015**.

3. Implementation of refunds and remittals

Refund or remittal the levy will not apply to titles cancelled under sections 275 or 447 of the OPGGSA. See item 4, below, in relation to surrenders.

3.1 Remittal policy

A **remittal** is a decision by NOPTA to waive a titleholder's obligation to pay part of the annual levy 'up front'. The annual levy payable is then calculated on (a pro rata basis) to reflect only the part year for which the title is held. This may occur where the title ceases to be in force within 30 days after the anniversary of date of grant.

NOPTA's policy is that remittals will not be made if the title **may** remain in force beyond the **current** expiry date.

Remittals will be managed by NOPTA and titleholders do not need to apply.

3.2 Refund policy

If the title **may** remain in force beyond the current expiry date, NOPTA's policy is to apply the levy for the entire 12 month period, and later refund any amounts due to titleholders.

Examples of when a title may remain in force beyond the expiry date include if an extension is applied for and approved during the final year, or if the title can be renewed and remains in force under the renewal provisions.

If the a 12 month levy is paid and the title does not **in fact** remain in force for the entire 12 month period, NOPTA will then provide a pro-rata refund under regulation 59AA of the *Regulatory Levies Regulations*.

Refunds will be managed by NOPTA and titleholders do not need to apply.



Case Example

A petroleum exploration permit has been granted for a period of 6 years ending on 31 March 2015. The permit is extended under section 265 for a period of 6 months ending on 30 September 2015, after which it ceases to be in force. The levy is imposed for 12 months under the *Regulatory Levies Act* for the year beginning on 1 April 2015.

As the permit might remain in force beyond 30 September 2015 it is NOPTA's policy that the 12 month levy is payable.

If the permit does cease to be in force on 30 September 2015, a pro rata refund will apply. This will be calculated using the formula in item 3.3, below.

3.3 Calculation of remittal or refund

Refunds or remittals will be determined according to the formula specified in the *Regulatory Levies Regulations* subregulation 59AB(5):

$$\left(\frac{\text{Number of days title is in force for the year}}{365} \right) \times \text{Applicable amount of levy for the title for the year}$$

Note: The above formula does not apply to a surrender—for surrenders see below.

3.4 Surrenders

If the titleholder has submitted a consent to surrender application, before the anniversary of the date of grant, and the title is wholly or partly surrendered after the anniversary of the date of grant (i.e. requiring the titleholder to pay the annual levy), the annual levy paid following the submission of the application may be refunded.

If the whole of the title is surrendered, the entire levy will be refunded. If part of the title is surrendered, a pro rata refund will be made, if applicable.

Pro rata refunds will not be available to titleholders that submitted a consent to surrender application and had their anniversary date fall before 18 January 2015.

It is NOPTA's policy to process refunds after the surrender is gazetted.

4. Further information

If you have any further questions please contact corporate@nopta.gov.au.

Please note: this document is intended as a guide only and should not be relied on as legal advice or regarded as a substitute for legal advice in individual case.