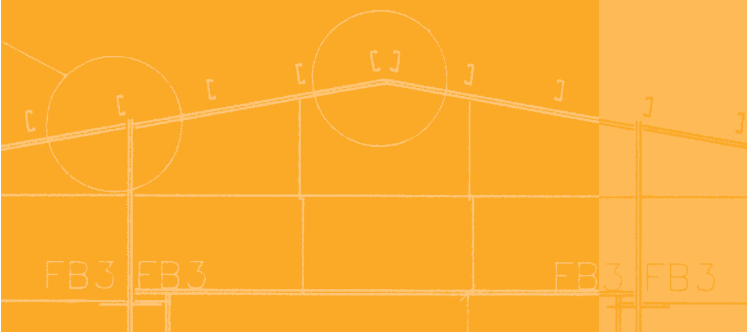




What you need to know about
Building permit levy



What is the building permit levy?

In order to fund the building control system in Victoria, the *Building Act 1993* (the Act) imposes a building permit levy. The levy is paid by an applicant for a building permit and must be paid before the permit can be issued. The levy is collected by the building surveyor and forwarded to the Building Commission by monthly return.

How much is the levy?

Where the cost of the building work is greater than \$10,000, the Act applies:

- A building permit levy of 0.064 cents in every dollar of the cost of building work
- A building permit levy (to fund the dispute resolution service, Building Advice and Conciliation Victoria) of 0.064 cents in every dollar of the cost of building work
- An additional building permit levy (HIH levy) of 0.032 cents in every dollar of the cost of **domestic** building work.

For example:

- For *commercial building work*, the levy applicable is $0.064 + 0.064$, totalling 0.128 cents in every dollar of the cost of building work.
- For *domestic building work*, the levy applicable is $0.064 + 0.064 + 0.032$, totalling 0.160 cents in every dollar of the cost of building work.

The building permit levy is not payable if the cost of building work is \$10,000 or less.

What is the cost of building work?

It is the contract price for the building work if there is a contract for the work. In any other case, the cost of building work is an estimate.

- It is the responsibility of the applicant for a building permit to declare the correct cost of building work.
- The cost of building work is determined on the date the application is made for the building permit.

Owner-builders

- Owner-builders must provide sufficient information to enable the building surveyor to estimate the cost of building work.
- The cost of building work includes the cost of labour and materials.

GST is included

- In determining the cost of building work for the purposes of calculating the building permit levy, the amount of GST must be included in the cost of building materials and the cost of labour.

A building surveyor must refuse an application for a building permit when it contains statements about the cost of the building work that are false and misleading.

Providing incorrect information amounts to fraud and is an offence under the Act.

What if a building permit levy is not paid?

A building surveyor must refuse an application for a building permit if the building permit levy is not paid.

The levy is paid by an applicant for a building permit and must be paid before the permit can be issued.

Need more information?

For more information regarding building permits, please contact your municipal or private building surveyor or contact the levy section of the Building Commission.

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