

## Building permit levy – calculation rounding policy

This supersedes the previous *Practice Note 2005-49* issued June 2005.

### 1. Summary

The building permit levy is calculated at the rate of 0.128 cents in every dollar of the cost of work for which a building permit is sought. HIH levy is calculated at the rate of 0.032 cents in every dollar of the cost of domestic building work for which a building permit is sought (Building Act 1993 Section 201(1)).

Building surveyors may adopt a commercially realistic approach in the calculation of the building permit levy and HIH levy. The following rounding policy has been developed as the preferred rounding practice for all building surveyors.

### 2. Ruling

The calculation of the building permit levy and HIH levy payable may be rounded as follows:

- ▶ Final cent figure is 1,2,3 or 4  
**Round down to 0.**  
Example:  
\$201.83 is rounded to \$201.80
  
- ▶ Final cent figure is 6,7,8 or 9  
**Round down to 5.**  
Example:  
\$158.98 is rounded to \$158.95

The rounding policy also applies to the calculation of the total amount of levy payable in respect of a monthly building permit levy return.