

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.