

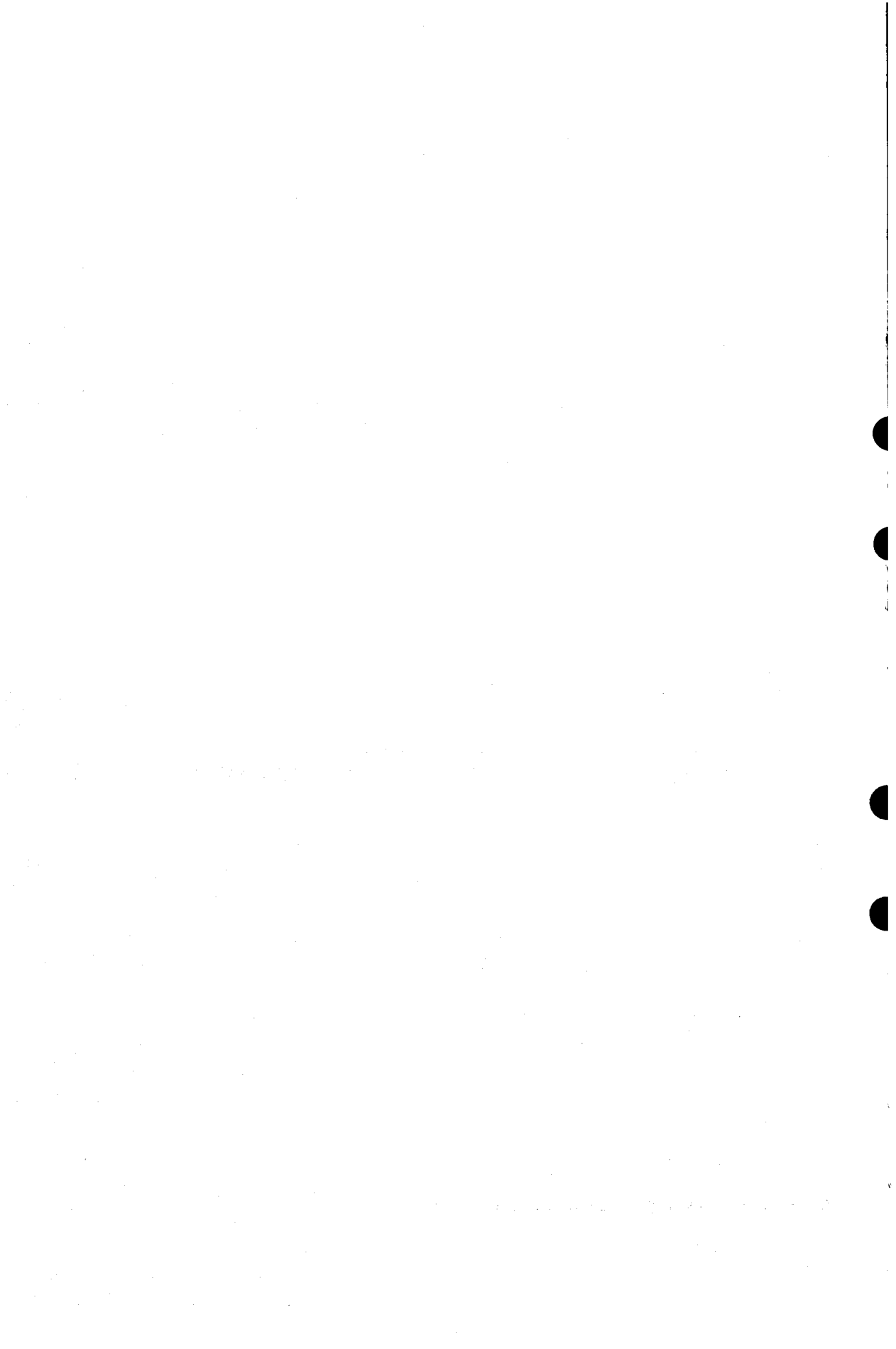
1980-81

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
HOUSE OF REPRESENTATIVES

TELEVISION STATIONS LICENCE FEES BILL 1981

EXPLANATORY MEMORANDUM

(Circulated by the authority of the Minister
for Communications, the Rt Hon. Ian Sinclair, M.P.)



EXPLANATORY MEMORANDUM

TELEVISION STATIONS LICENCE FEES BILL 1981

1. Commercial television station licence holders pay annual licence fees as required under the Television Stations Licence Fees Act 1964. The Television Stations Licence Fees Bill 1981 seeks to amend the provisions of this Act by:
 - . raising the fee on initial grant of a licence to \$500 from \$200; removing the \$200 lump sum component of the annual fee; and
 - . changing the schedule used in calculating the sliding component of the annual fee.

2. Under the new schedule, a licensee's annual fee will be calculated as a percentage rate of the gross earnings of the station to which the licence relates. The scale of rates is progressive, that is to say, every increase in a station's gross earnings renders its licensee liable to pay a higher percentage in licence fees, subject to an upper limit of 7.5% of gross earnings. However, with the removal of the lump sum component of the fee, and the restructuring of the scale, licensees with low gross earnings will pay less than under the existing schedule.

3. All stations earning less than about \$2½ million in 1980/81 (ie about 20 TV stations) will benefit. Only some 30 television station licensees will be liable to pay a higher fee than under the present arrangement.

4. The new scales come into effect on 1 September 1981.

Notes on Clauses

Television Stations Licence Fees Bill 1981

Clause 1 Fixes the Short title of the Bill and defines "Principal Act".

Clause 2 Fixes 1 September 1981 as the deemed date of commencement.

Clause 3 Sub-clause (1) provides for the fee payable on the grant of a licence to be increased from \$200 to \$500, and varies the method of calculating the licence fee payable every year by television stations by:

- removing the \$200 base figure
- varying the percentage of gross earnings payable, with the effect of increasing the percentage payable in the case of stations with high gross earnings and reducing the percentage payable by other stations, subject to an upper limit of 7.5% of gross earnings
- providing that cents in gross earnings be disregarded.

Sub-clause (2) deems the amendments made by sub-clause (1) to apply at the date of commencement of a television station licence or anniversary of the date of commencement, falling on or after 1 September 1981.