

Levy reduction

The NT Build levy rate has been reduced from 0.4% to **0.3% effective from 1 April 2012**.

The levy rate reduction gives effect to the recommendation made by the Scheme Actuary following the statutory triennial review of the Scheme.

The 0.4% levy rate will continue to be applied to projects started before 1 April 2012, regardless of their completion date. However, new construction projects starting from 1 April 2012 will be levied at the reduced rate.

Owners of construction projects that commenced on or after 1 April 2012 and who have paid the levy at 0.4% will be eligible for a refund of any overpaid levy amount resulting from this decision. It is proposed that any eligible construction projects will have the refund processed when construction is completed and the known final cost is advised by the project owner through the usual reconciliation process. However, should any project owner wish to have their refund processed sooner they should contact the NT Build office.

What is NT Build?

The levy on eligible construction projects, funds the portable long service leave scheme for Territory construction workers. Set up in 2005 after extensive industry consultation, the scheme funds long service leave based on years of industry service rather than service with a single employer.

The establishment of the Territory's portable long service leave scheme for construction workers continues to help attract skilled workers to the Northern Territory, as it provides similar entitlements to construction workers employed in the rest of Australia.

Who must pay the levy?

The levy is paid by the person for whom the work is to be done, eg the Project Owner/Developer. However, where the work is done for the Australian Government or some other Interstate Government entity, the principal contractor doing the work is liable to pay the levy.

The onus is on Project Owners or Developers to notify NT Build and pay the levy on all eligible projects before construction starts.

Under the *Construction Industry Long Service Leave and Benefits Act*, the levy is imposed on all eligible construction projects in the Northern Territory worth \$200,000 or more - **except for detached single houses**. This includes for example; roads, power, water and sewerage works, schools, sheds, blocks of units, infrastructure and resource development projects. Refer section 6 of the *Construction Contracts (Security of Payments) Act* for the full definition.

To find out more contact the NT Build office on telephone **1300 795 855** or visit our website **www.ntbuild.com.au**

