

## BUILDING AND CONSTRUCTION INDUSTRY LEVY GUIDE

### WHAT IS THE PURPOSE OF THE LEVY

The NSW Government put a levy on all building and construction work in NSW with a cost of works of \$25,000 (inclusive of GST) or more. The levy is paid into a fund and administered by the Long Service Corporation. From this fund, the Corporation makes long service payments to eligible building and construction workers. For further information see [About the Levy](#).

### HOW IS THE LEVY CALCULATED

The levy is calculated as a percentage of the cost of the work as determined by a consenting/certifying authority (ie. Council or Accredited Certifier) or relevant Government Authority/Department.

For work requiring approval by a consenting/certifying authority, the consenting/certifying authority determines the cost for the purpose of calculating the levy payable. For other work, it is the Contract amount (inclusive of GST) or the Corporation can determine the cost when requested.

### WHAT IS THE LEVY RATE

The levy rate is 0.35% of the total cost of the work (inclusive of GST). There is no GST applicable to the levy.

### WHO IS REQUIRED TO PAY THE LEVY

The building applicant or the person for whom the work is being done, is liable to pay the long service levy. Where the building work is being done on behalf of the Crown, the contractor is liable to pay the levy. A person who fails to pay the levy before work commences can be prosecuted, incurring fines and penalty interest.

### WHEN IS THE LEVY PAID

When a Council or an Accredited Certifier is approving a Construction Certificate (CC) or Complying Development Certificate (CDC), the levy must be paid before the certificate is released to the person seeking approval, which will allow work to commence. For work being done under contract, the levy must be paid before work can commence.

### HOW IS THE LEVY PAID

**Online payment** - Payments can be made online where cost of works are \$6M (inclusive of GST) and below, using Visa or Mastercard. Those making payments using this facility receive their receipt via email to the email address provided when making the payment upon successful completion of transaction. No further receipt is issued by the Corporation. Make a payment online via the [Levy Payment Online](#) portal, or go to our online services at <https://www.longservice.nsw.gov.au/online-portal>

**Councils** - All Councils are Agents for collecting the Long Service levy and levies can be paid direct to these Councils. However, some Councils are unable to collect the levy for work not approved by that Council. In such situations, you will need to make the levy payment direct to the Corporation. Contact your Council to confirm whether they can take your levy payment.

**Direct payment to the Corporation** - If works are \$6M (inclusive of GST) and above, payments may be made via EFT. You will need complete a [Levy Payment Form](#) and email it to [levy@longservice.nsw.gov.au](mailto:levy@longservice.nsw.gov.au) to request an EFT reference number and the Corporation's banking details. Payments cannot be made without the issue of an EFT reference number. Once funds are received into the Corporation's account, a receipt will be forwarded to the email address supplied on your Levy Payment Form.

Alternatively, a personal cheque, bank cheque or money order made out to the Long Service Corporation can be posted to us with your completed Levy Payment Form. You will be issued with a receipt via email. In all situations the relevant Council/certifier/government body will need to sight the receipt as proof of payment before releasing approval to commence the building work.

## ARE YOU ENTITLED TO AN EXEMPTION FROM THE LEVY

If you are an owner builder, a church or non-profit organisation, you may be eligible for an exemption of up to 50% of the levy payable. **The exemption is calculated on the value of voluntary labour performed.** Complete an **Owner Builder** form or a **Non-Profit** form.

## WHEN ARE YOU ELIGIBLE FOR A REFUND

You may be eligible for a full or partial refund of the levy if:

- Works did not commence on site and the building approval has lapsed or was cancelled. The refund application must be endorsed by the approving authority. Complete a **Works Not Proceeding** form.
- A duplicate or overpayment has been made in respect of a levy. Complete an **Overpayments** form.
- A levy has been paid in full and the applicant may be entitled to a partial exemption as an owner builder, a church or a non-profit organisation (must be made within 12 months of payment). Complete an **Owner Builder** form or a **Non-Profit** form.

## ARE YOU ELIGIBLE TO PAY THE LEVY BY INSTALMENTS

If the cost of the work exceeds \$10M (inclusive of GST) and is either to take more than 12 months to complete, or the obligation to pay the levy as a lump sum is unduly onerous, a levy payer may be eligible to pay the levy by instalments. Complete an **Application to Pay Levy by Instalments** form.

All application forms need to be complete and include all the required information, and either emailed to [levy@longservice.nsw.gov.au](mailto:levy@longservice.nsw.gov.au) or posted to our mailing address.



**INTERPRETER SERVICES** - If you need an interpreter call TIS National on 13 14 50 and ask them to call Long Service Corporation on 13 14 41 or visit [www.tisnational.gov.au](http://www.tisnational.gov.au)

