

ACMA - Review of Spectrum Licence Tax Arrangements

The Australian Mobile Telecommunications Association (AMTA) welcomes the opportunity to comment on spectrum licence tax arrangements and the ACMA's proposed changes to the *Radiocommunications (Spectrum Licence Tax) Determination 1999* (the SLT Determination).

AMTA notes that purpose of sunseting legislative instruments is to ensure that instruments are subjected to proper review so that regulations that are redundant or no longer fit for purpose can be retired.

AMTA also the Government is currently working on a deregulation agenda and has asked industry to identify regulations that may be redundant or that should be reviewed. AMTA suggests that it is incumbent on the ACMA take the opportunity provided by the need to re-make the SLT Determination to consider and review its underlying policy and processes around the recovery of the indirect costs of spectrum management.

AMTA believes that if the ACMA determines this method of cost recovery is warranted then the process for recovering costs must be transparent and directly tied to the actual costs involved.

As the proposed SLT Determination does not appear to have a transparent relationship to the actual costs to be recovered, AMTA suggests it may not be the most appropriate instrument for this purpose. In any event, more transparency around how the amount of spectrum licence tax to be collected is formulated and allocated across licences and spectrum bands is essential.

There are many options for recovering the indirect costs of spectrum management. Yet, the potential for alternative arrangements has not been fully explored by the ACMA. As there is sufficient time before the existing SLT Determination is due to expire, we urge the ACMA to undertake a more fulsome assessment using an options-stage Regulatory Impact Statement based on the guidelines set out by the Office of Best Practice Regulation (OBPR).¹

Regardless of the actual approach to setting the SLT taken by the ACMA, the following elements need to be clear to all licensees:

- The amount and make-up of the indirect spectrum management costs on an annual basis including any changes to these costs from year to year;
- The proportion of indirect spectrum management costs recovered by apparatus licence fees (if any);
- The proportion of indirect spectrum management costs recovered by spectrum licence tax arrangements (if any);
- How any spectrum licence tax is formulated and how it is allocated across licence types and spectrum bands; and
- That there is no over recovery of indirect spectrum management costs.

For any questions about this submission please contact Lisa Brown, Policy Manager, AMTA at lisa.brown@amta.org.au or on 0405 57 00 59.

¹ OBPR (2013), 'Best Practice Regulation Handbook', July, <http://www.dpmc.gov.au/deregulation/obpr/handbook/index.html>