



## THE ADMINISTRATION OF NORFOLK ISLAND

### MEDIA RELEASE

#### **Norfolk Sustainability Levy**

- **registrations due this month**
- **answers to frequently asked questions**

The Acting Chief Executive Officer of the Administration of Norfolk Island, Steve Mathews, has reminded all providers of goods and services that the *Norfolk Island Sustainability Levy Act* comes into full effect on 1<sup>st</sup> August 2006. All affected businesses must obtain a Norfolk Business Number and register for payments of the Norfolk Sustainability Levy (NSL) before the end of July.

Mr Mathews said that following a large number of contacts to the NSL hotline on 24110, he had prepared answers to the most frequently asked questions, which are reproduced below. This document, together with more information on the NSL and all relevant forms are available electronically at [www.nsl.gov.nf](http://www.nsl.gov.nf)

Steve Mathews  
**Acting Chief Executive Officer**

7<sup>th</sup> July 2007

## **Norfolk Sustainability Levy (NSL) Frequently Asked Questions**

**Q. Do I have to register for the NSL?**

A. If you run a business that is likely to receive \$3,000 or more in gross revenues in any year, then you must register for an NBN.

**Q. What is an NBN?**

A. A Norfolk Business Number will be issued to you on registration with the NSL Office. You will quote this number on your monthly remittance forms as well as letterheads, invoices, receipts, orders and statements of account.

**Q. Do service clubs and church groups have to register?**

A. Not for profit organisations do not have to register unless they conduct retail or other business activities subject to NSL.

**Q. Where do I get a registration form?**

A. Registration forms are available at the Post Office, Customs, Telecom and Cashier at Kingston. They can also be downloaded from [www.nsl.gov.nf](http://www.nsl.gov.nf)

**Q. Once I am registered what happens then?**

A. At the end of each month you need to calculate your gross revenues multiply it by the NSL rate (currently 1%) and remit that money to the NSL Office. This will not include revenue from sales of exempt or zero-rated goods or services

**Q. When do I need to remit the money?**

Every registered person must submit a monthly return with the levy payment for the preceding month to the Chief Revenue Officer no later than the 21st day of each month.

**Q. When does NSL start?**

A. All money received by you from the 1 August 2006 must be included in Gross Revenue for the purposes of NSL and therefore have the levy paid on that gross revenue.

**Q. What if I invoice for sales and do not get paid during the month?**

A. NSL is paid on Gross revenues not on invoices; NSL will be paid for the month when the money is actually receipted.

**Q. What if I receive no revenue in a particular month?**

A. If you are registered, you will still need to submit a return for a nil amount.

**Q. Do I show NSL as a separate item on an invoice or sales docket?**

A. NSL must be included in the price of goods as advertised on shelf and rung through register or recorded as a sale. It cannot be shown separately.

**Q. Do I need a new accounting system to comply with the NSL?**

A. You need to keep a record of your revenues. In most cases existing systems will suffice. The records that you keep may be subject to audit and will therefore need to be sufficient in detail for that purpose.

**Q. Do I need to send these records to the NSL office every month?**

A. You only need to send your monthly remittance form and payment of the NSL to the NSL office each month. Remember you will need your sales records in the event that you are audited.

**Q. How can I be sure that the information I provide for NSL purposes will remain confidential?**

A. The Chief Revenue Officer and any NSL staff will process the NSL information. These staff are subject to strict confidentiality penalties within the NSL legislation.

**Q. Where is the NSL office?**

A. Currently the NSL office is on the middle floor of the New Military Barracks at Kingston.

**Q. How can I contact the NSL Office?**

A. The NSL Office can be contacted on phone 24110, email [info@nsl.gov.nf](mailto:info@nsl.gov.nf) or by mailing to P.O. Box 994 Norfolk Island.

**Q. Will I pay NSL on my electricity and telephone account?**

A. Government fees and charges are exempt from NSL. Therefore electricity, telephone, car registrations and most government charges will be free of NSL.

**Q. Which government enterprises will charge NSL?**

A. Liquor bond sales and retail section sales at the Post Office will include NSL from 1 August 2006. Postage will be exempt from NSL.

**Q. Is anything else exempted from NSL?**

A. Petroleum products, court fines and traffic infringements. Sales of business or properties where government transaction fees have been paid are exempt. Gaming transactions are exempt where duty has been paid. Gifts are obviously exempt.

**Q. Is the Hospital going to charge NSL?**

A. The hospital is a public sector agency and therefore its services are exempt from NSL. Sale of prescribed pharmaceuticals are exempt where as retail sales of non-prescription goods from the pharmacy will attract NSL.

**Q. What if the NSL affects my ability to do business?**

A. There will be a review of the NSL rate and any effects of its implementation. You should submit any concerns or suggestions on the NSL operation to the Chief Revenue Officer.

**Q. When will the review of NSL operation happen?**

A. The review will commence after 1 December 2006 and be complete by 28 February 2007.

**Q. What if I fail to register or lodge my monthly remittance for NSL?**

A. There are a number of penalties in the NSL Legislation for failure to comply. The Norfolk Island Government has indicated that it intends to enforce the NSL legislation and prosecutions can be initiated for failure to comply.

**What are the key dates for NSL?**

31 July 2006 – Businesses must be registered  
01 August 2006 – NSL commences (included in sale prices)  
21 September 2006 – last day monthly remittances for August  
21 October 2006 - last day monthly remittances for September  
1 December 2006 – commence review of NSL  
28 February 2007 – table report of NSL review

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