

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Budget Estimates 2011-2012, 30/31 May 2011

Question: E11-410

OUTCOME 0: Whole of Portfolio

Topic: GOVERNMENT PAYMENTS OF ACCOUNTS

Written Question on Notice

Senator Boyce asked:

- a) For accounts not paid within 30 days, is interest being paid on overdue amounts and if so how much has been paid by the Portfolio/Department agency for the current financial year and the previous financial year?
- b) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

Answer:

- a) Yes. For the 2010-11 June year to date period, \$1,031.12 in interest has been paid by the Department as a result of non compliance to the Payments To Small Business Within 30 Days policy. All interest payments relate to 29 invoices that were paid in excess of 30 days from a previous financial year (2008-09).
- b) Interest is calculated on the basis of the General Interest Charge Rate as per Section 8AAD of the *Taxation Administration Act 1953* and published on the Australian Taxation Office website. The specific rate varies depending on the period in which the payment falls due.