

South Australia

# **Late Payment of Government Debts (Interest) (Automatic Payment of Interest) Amendment Act 2018**

An Act to amend the *Late Payment of Government Debts (Interest) Act 2013*.

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**The Parliament of South Australia enacts as follows:**

## **Part 1—Preliminary**

### **1—Short title**

This Act may be cited as the *Late Payment of Government Debts (Interest) (Automatic Payment of Interest) Amendment Act 2018*.

### **2—Commencement**

This Act will come into operation on a day to be fixed by proclamation.

### **3—Amendment provisions**

In this Act, a provision under a heading referring to the amendment of a specified Act amends the Act so specified.

## **Part 2—Amendment of *Late Payment of Government Debts (Interest) Act 2013***

### **4—Amendment of long title**

Long title—delete "small"

### **5—Amendment of section 3—Preliminary**

- (1) Section 3(1), definitions of *annual turnover* and *business*—delete the definitions
- (2) Section 3(1), definition of *qualifying body*—delete the definition and substitute:  

*qualifying body* means a corporation incorporated under the *Corporations Act 2001* of the Commonwealth;
- (3) Section 3(1), definition of *small business*—delete the definition
- (4) Section 3(2)—delete subsection (2)

### **6—Amendment of section 5—Occurrence of default event**

Section 5(1)—after paragraph (b) insert:

- (ba) the amount specified as being payable in the invoice or claim does not exceed \$1 million (exclusive of GST); and

### **7—Amendment of section 6—Interest payable if default event occurs**

- (1) Section 6(1)—delete all words preceding the formula and substitute:  

The supplier under the qualifying contract in relation to which a default event occurs is (subject to this section) entitled to interest calculated in accordance with the following formula:
- (2) Section 6(1), definition of *PIR*—delete "designated payment period" and substitute:  

default period
- (3) Section 6(4)—delete "\$20" and substitute:  

\$10
- (4) Section 6(6)—delete subsection (6) and substitute:
  - (6) Interest payable under this Act must be paid by the public authority within 48 hours of the authority making the payment for the goods or services supplied under the qualifying contract.
- (5) Section 6(9)—delete subsection (9)

### **8—Amendment of section 7—Disputes**

Section 7(1)—delete subsection (1) and substitute:

- (1) If a dispute arises between a public authority and a supplier about whether interest or an amount of interest is payable under this Act on account of a prescribed matter, the matter may be referred to the Small Business Commissioner (who is conferred with the function of resolving the dispute).

## **9—Repeal of section 10**

Section 10—delete the section

## **Schedule 1—Transitional provision**

### **1—Transitional provision**

An amendment made to the *Late Payment of Government Debts (Interest) Act 2013* by this Act applies only in relation to an invoice or claim rendered by a supplier (within the meaning of that Act) after the commencement of the amendment.