

South Australia

# Late Payment of Government Debts (Interest) Regulations 2014

under the *Late Payment of Government Debts (Interest) Act 2013*

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### 1—Short title

These regulations may be cited as the *Late Payment of Government Debts (Interest) Regulations 2014*.

### 3—Interpretation

In these regulations—

*Act* means the *Late Payment of Government Debts (Interest) Act 2013*.

### 4—Designated contract

For the purposes of paragraph (a)(i) of the definition of *designated contract* in section 3(1) of the Act, the prescribed number of days is 15.

### 5—Default event

For the purposes of section 5(1)(e) of the Act, the prescribed number of days is 15.

### 6—Minimum amount of interest

- (1) For the purposes of section 6(1) of the Act, the minimum amount of interest to which a supplier under the qualifying contract in relation to which a default event occurs is entitled is to be determined in accordance with the following formula:

$$I = ND \times \frac{(IA \times PIR)}{365}$$

where

*I* is the minimum amount of interest payable to the supplier

*ND* is equal to the number of days that make up the default period

*IA* is the amount paid by or on behalf of the public authority on account of the invoice or claim that has been rendered by the supplier (exclusive of GST)

**PIR** is the prescribed interest rate applying on the first day of the month in which the default period ends.

- (2) For the purposes of subregulation (1), the default period is the period beginning on the day immediately following the end of the designated payment period and ending on the day immediately preceding the day on which payment is made by or on behalf of the public authority.
- (3) For the purposes of subregulation (2), the day on which a payment is made by or on behalf of a public authority will be taken to be—
  - (a) the day on which an electronic funds transfer is made to a financial institution for processing in order to make payment to the relevant supplier; or
  - (b) the day on which payment is made by the use of a payment card or a credit card; or
  - (c) the day on which a cheque is posted to the relevant supplier.
- (4) In this regulation—

**prescribed interest rate** means a rate of 5% above the cash rate published by the Reserve Bank of Australia (expressed as an annual rate).

## Legislative history

### Notes

- For further information relating to the Act and subordinate legislation made under the Act see the Index of South Australian Statutes or [www.legislation.sa.gov.au](http://www.legislation.sa.gov.au).

### Principal regulations and variations

New entries appear in bold.

| Year        | No        | Reference                              | Commencement          |
|-------------|-----------|----------------------------------------|-----------------------|
| 2014        | 44        | <i>Gazette 13.2.2014 p901</i>          | 17.2.2014: r 2        |
| <b>2024</b> | <b>96</b> | <b><i>Gazette 31.10.2024 p4045</i></b> | <b>1.11.2024: r 2</b> |

### Provisions varied

New entries appear in bold.

Entries that relate to provisions that have been deleted appear in italics.

| Provision  | How varied                                                         | Commencement     |
|------------|--------------------------------------------------------------------|------------------|
| <i>r 2</i> | <i>omitted under Legislation Revision and Publication Act 2002</i> | <i>1.11.2024</i> |
| r 4        | substituted by 96/2024 r 3                                         | 1.11.2024        |
| rr 5 and 6 | inserted by 96/2024 r 3                                            | 1.11.2024        |