



Australian Government

Tuition Protection Service

2021 TPS Levy

Session purpose

- To inform providers about the **2021 TPS Levy**
 - The components of the TPS Levy for CRICOS providers and key changes for 2021;
 - Levy collection: process and timeframe;
 - Quick recap – Income declaration

2021 TPS Levy

Highlights

- Reductions to all levy components will result in savings to all CRICOS providers
- Temporary changes to levy settings in response to COVID-19
- Some changes/additions have been made to the risk factors
- These changes are covered in greater detail later in the presentation

KEY CHANGES FOR LEVY 2021



2021 TPS Levy

There are four components:

1. Administrative fee
2. Base fee
3. Risk rated premium
4. Special tuition protection

2021 TPS Levy

Changes to Administrative & Base fee components

- Base and Administrative fee components have been reduced by approximately 20%

Note: In 2021, the Administrative and Base fee component charges will be:

- Admin: \$89.60 plus \$0.46 multiplied by the total enrolments for the provider for the previous year.
- Base: \$180 plus \$1.14 multiplied by the total enrolments for the provider for the previous year.

2021 TPS Levy

Risk rated premium component – risk factors

- Changes have been made mainly in response to COVID 19
- Key changes to Risk Factors 3 and 5
- No changes were made to:
 - Risk Factor 1 - Base Risk Factor
 - Risk Factor 2 - Length Of Operation
 - Risk Factor 4 - Maximum overseas Source Country concentration

2021 TPS Levy

Risk rated premium component – risk factors

Risk factor 3: **‘volatility in overseas enrolments’**

Main Changes to this risk factor for 2021

- Negative Volatility (risk scores for ‘Reduction in Enrolment numbers) has been removed
- Changes to calculation for ‘Growth in Enrolments’ the relevant risk loading be based on a provider’s annual average volatility measure, rather than the volatility measure currently applied (which is the change over a two-year period).

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Risk rated premium component – risk factors

- **Risk Factor 3 – Volatility in Overseas Enrolments**
- This risk factor applies to a **non-exempt** provider that:
 - (a) has a length of operation of **2 years or more**; and
 - (b) had **either** or **both** of the following in 2020:
 - (i) at least 20 overseas student enrolments;
 - (ii) \$400,000 or more in tuition fee income.
- A graduated reduction on the volatility risk factor being applied for providers between 2 years and 5 years of operation;

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The increase factor for this risk factor 3 is set out in the following table:

| If a registered provider's volatility in overseas enrolments is... | and the provider's length of operation is 2 years or more but less than 3 years, then the factor is ... | and the provider's length of operation is 3 years or more but less than 4 years, then the factor is ... | and the provider's length of operation is 4 years or more but less than 5 years, then the factor is ... | and the provider's length of operation is 5 years or more, then the factor is ... |
|--|---|---|---|---|
| 120% or more | 0.9 | 1.8 | 2.6 | 3.5 |
| 105% or more but less than 120% | 0.8 | 1.5 | 2.3 | 3.0 |
| 90% or more but less than 105% | 0.6 | 1.3 | 1.9 | 2.5 |
| 75% or more but less than 90% | 0.5 | 0.9 | 1.4 | 1.8 |

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Table (continued)

| If a registered provider's volatility in overseas enrolments is... | and the provider's length of operation is 2 years or more but less than 3 years, then the factor is ... | and the provider's length of operation is 3 years or more but less than 4 years, then the factor is ... | and the provider's length of operation is 4 years or more but less than 5 years, then the factor is ... | and the provider's length of operation is 5 years or more, then the factor is ... |
|--|---|---|---|---|
| 60% or more but less than 75% | 0.3 | 0.6 | 0.9 | 1.2 |
| 45% or more but less than 60% | 0.2 | 0.3 | 0.5 | 0.6 |
| 30% or more but less than 45% | 0.1 | 0.2 | 0.3 | 0.4 |
| less than 30% | 0.0 | 0.0 | 0.0 | 0.0 |

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Risk rated premium component – risk factors

Risk factor 5: '**Non-Compliance history**'

Main Changes to this risk factor for 2021

- Additional sub-components to be included for the first time
 - One or more conditions on registration imposed by a regulator
 - The regulator **renewed** registration for a shorter than the maximum period allowed (i.e. 7 years or 5 years for school providers)

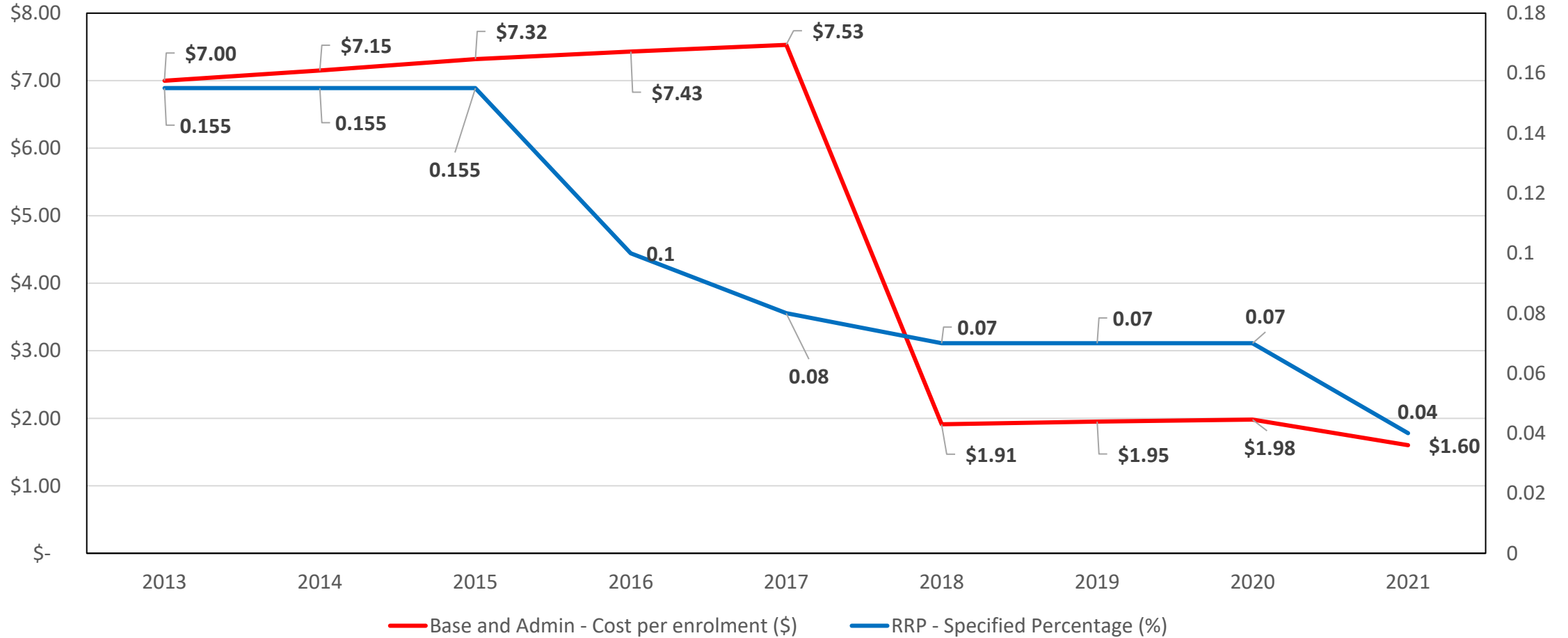
2021 TPS Levy

Special Tuition Protection Component

- Special Tuition Protection Component of the 2021 TPS Levy has been set to **zero**.

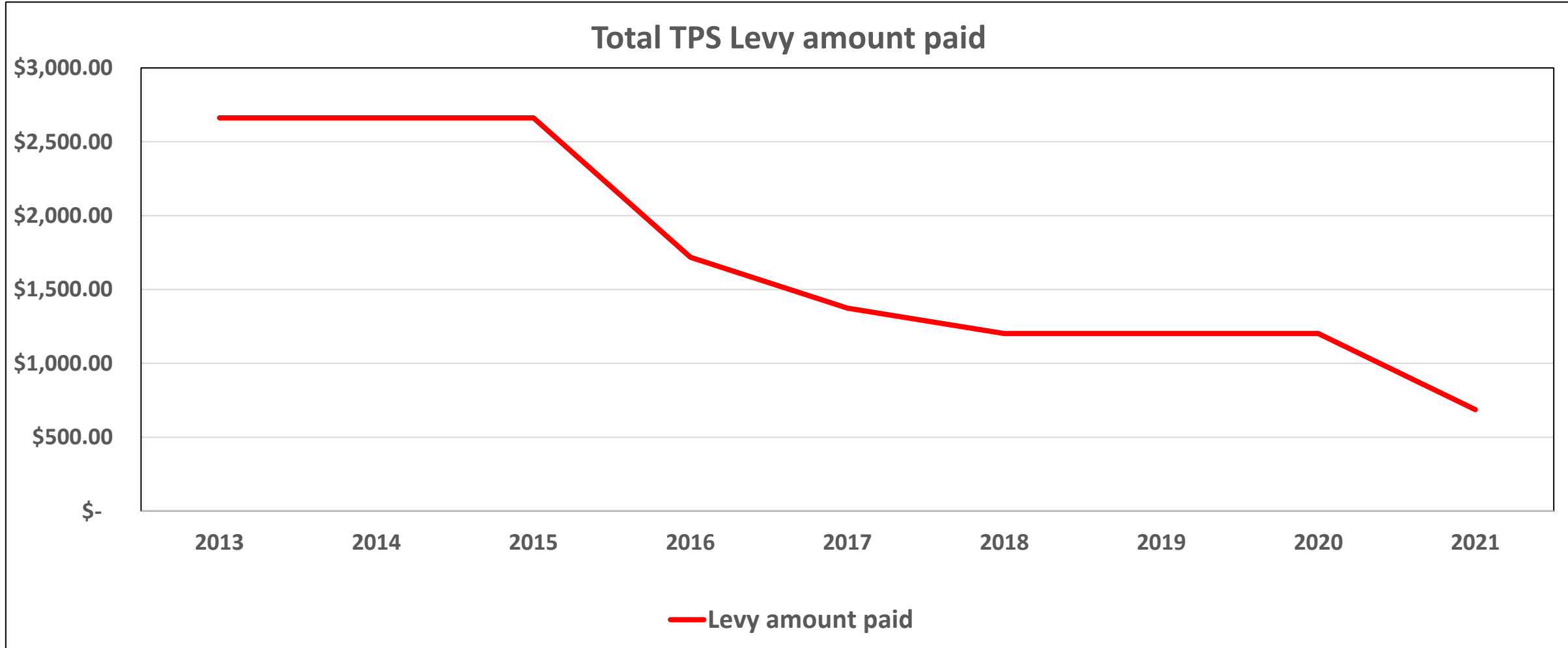
2021 TPS Levy Rates – History

TPS Levy Yearly Comparison



2021 TPS Levy

An Average provider – Risk Rated Premium





IMPORTANT DATES

2021 TPS Levy Key Dates



2021 TPS Levy

Key Dates:

- **12 February 2021** – Request for Information/Income Declaration sent to all CRICOS providers required to pay the risk rated premium component of the TPS Levy.
- **5 March 2021**– Overseas Student Tuition Fee Income for 2021 to be submitted into PRISMS.
- **March 2021** - Analysis of all provider's submitted income declarations will be conducted by the TPS and further information may be requested.
- **23 April 2021** – 2021 TPS Levy invoices sent via PRISMS
- **23 May 2021** – 2021 TPS Levy payment due

Income Declaration Process



2021 TPS Levy – Income Declaration

Overseas Student Tuition Fee Income Declaration

- Only declare **overseas student tuition fee** income received for the 2020 calendar year.
 - Specifically any income received from overseas students or intending overseas students on a **student visa**.
- **Overseas student tuition fees** is defined in section 4 of the *Education Services for Overseas Students (TPS Levies) Act 2012*

overseas student tuition fees for a registered provider for a year is the amount of tuition fees received by the provider during the year in respect of an overseas student or intending overseas student.

2021 TPS Levy – Income Declaration

What should you include in tuition fees

- Tuition fees are generally considered fees paid by an overseas or intending overseas student to undertake the course.
- A detailed description what should be and not included in tuition fees can be found in section 7 of the *Education Services For Overseas Students Regulations 2019*

2021 TPS Levy – Income Declaration

What should not be included?

- Please **do not** include income from:
 - Students on other visa types
 - Books or equipment sold to the student
 - Health insurance
 - Administration fees
 - Accommodation
 - Assisting the student to apply for a hold or a student visa
- All refunds paid to students during the 2020 calendar year should be deducted from the **overseas student tuition fees** prior to declaration

2021 TPS Levy – Income Declaration

Who can complete the income declaration?

- Must be declared by the Principal Executive Officer (PEO); or
- their nominated representative
- Due date of income declaration is **5 March 2021**

2021 TPS Levy – Income Declaration screens

2021 TPS Levy for

General Info | **Income Declaration** | TPS Levy Components | View Payment

Declaration of Overseas Student Tuition Fee Income for

Income

Please provide details of the **Actual** income of overseas student tuition fee earned during the period from 1 January 2020 to 31 December 2020. Please note that where a variation in income and enrolment of $\pm 20\%$ occurs, an explanation will be required.

| | 2019 | 2020 | Variation from 2019 |
|--------------------|------------------|-------------------|---------------------|
| Enrolments: | 2,142.00 | 1,958.00 | -8.59% |
| * Declared Income: | \$150,000,000.00 | \$ 100,000,000.00 | -33.33% |

Enter the amount of overseas students tuition fee income here

We have identified an inconsistency between your enrolments and declared income for 2019 and 2020. Your enrolments have decreased by 8.59%, but your income has decreased by 33.33%.

* Please provide an explanation of the variation in your income in the text box below:

Income Declaration
ARC Enrolment Export
Variation Explanation

Provider's Contact Details

* Name of person completing form:

* Phone number of person completing form:

* Name of appropriate financial contact person:

* Phone number of appropriate financial contact person:

Name of Principal Executive Officer:

Phone number of Principal Executive Officer:

Note: the registered provider must advise the Authority in writing about any change of Principal Executive Officer within 14 days of the change being made.

2021 TPS Levy – Income Declaration screens

2021 TPS Levy for

General Info | **Income Declaration** | TPS Levy Components | View Payment

Declaration of Overseas Student Tuition Fee Income for

Income

Please provide details of the **Actual** income of overseas student tuition fee earned during the period from 1 January 2020 to 31 December 2020. Please note that where a variation in income and enrolment of $\pm 20\%$ occurs, an explanation will be required.

[Income Declaration](#)

[ARC Enrolment Export](#)

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|--------------------|------------------|-------------------|---------------------|
| Enrolments: | 2,142.00 | 1,958.00 | -8.59% |
| * Declared Income: | \$150,000,000.00 | \$ 100,000,000.00 | -33.33% |

Entering an amount, the system will calculate a variation

[Variation Explanation](#)

Explanation only required if provider has either – income of \$400,000 or more or enrolments of 20 or more

We have identified an inconsistency between your enrolments and declared income for 2019 and 2020. Your enrolments have decreased by 8.59%, but your income has decreased by 33.33%.

* Please provide an explanation of the variation in your income in the text box below:

Providers with an income variation of $\pm 20\%$ Will be required to provide an explanation

The TPS Director may also request documentation to verify any claims

Provider's Contact Details

* Name of person completing form:

* Phone number of person completing form:

* Name of appropriate financial contact person:

* Phone number of appropriate financial contact person:

Name of Principal Executive Officer:

Phone number of Principal Executive Officer:

Note: the registered provider must advise the Authority in writing about any change of Principal Executive Officer within 14 days of the change being made.

2021 TPS Levy - Resources to assist you

- *Education Services for Overseas Students Act 2000 (ESOS Act)* – section 26 outlines the disclosure obligations requirement on providers regarding the TPS Levy.
- *Education Services for Overseas Students (TPS Levies) Act 2012 & Education Services for Overseas Students (TPS Levies) (Administrative and Base Fees) Determination 2020* outlines how the base and administrative fees are calculated.
- *Education Services for Overseas Students (TPS Levies) (Risk Rated Premium and Special Tuition Protection Components) Instrument 2020* - sets out the method of calculating the risk rated premium component of the TPS Levy.
- *Education Services for Overseas Students (TPS Levies) Act 2012 (Levy exemptions) Determination 2012 (No.1)* – sets out the exemptions that are applicable to the TPS Levy

Contacts

Further information

- Website: <http://tps.gov.au>
 - Links to legislation
 - Frequently asked questions
 - News

- Email: operations@tps.gov.au

Information Session Questions

- Questions?