

Factors the Registrar will consider in determining an Application for Fee Reduction

What will be considered by the registrar?

The registrar will only consider the information provided in and attached to the application for fee reduction.

Application by a Corporation or Trustee

To assist the registrar in determining an application by a corporation or trustee (the applicant) the registrar will consider if the applicant has sufficient funds to pay the relevant fee by taking into account the following factors:

- The applicant's response to section 2 of the application; and
- All the applicant's current bank account statements; and
- The balance sheet(s) and profit and loss statement for the applicant for the last financial year; or
- Details of the applicant's assets, liabilities and profit and loss; and
- If the applicant is showing a profit – the following equation:

A: Total Assets (*Including cash on hand & bank balance)

Less: B: Total Liabilities

Plus: C: Total Profit

Equals: D: Available Funds

- If the applicant is showing a loss – the following equation:

A: Total Assets (*Including cash on hand & bank balance)

Less: B: Total Liabilities

Less: C: Total Loss

Equals: D: Available Funds

The registrar will approve the application if:

- The Available Funds are less than twice the relevant fee to be paid and registrar reasonably believes the applicant is not able to obtain the funds from another source to pay the relevant fee. or
- The registrar reasonable believes the funds may not be able to be allocated to the payment of the relevant fee.

The registrar will refuse the application if:

- The Available Funds are equal to or greater than twice the relevant fee; or
- The registrar reasonably believes that the applicant is able to obtain the funds from another source to pay the relevant fee.

Application by an Individual

To assist the registrar in determining an application by an individual the registrar will take into account whether the applicant is entitled to a reduction under Part A.

If the applicant is not entitled to a reduction under Part A the registrar will then consider whether the applicant is likely to suffer financial hardship and take into account the following factors:

- Details of the individual's funds, household income and expenditure; and
- Any additional information to show financial hardship.

When registrar must approve application

The registrar must approve the application and make an order approving that the party pay the reduced fee if the party has ticked one of the options in Part A and provided proof of their eligibility in the form of a certified copy of a relevant card, statement, or confirmation letter.

Financial hardship

When determining whether the applicant is likely to suffer financial hardship the registrar must take into account:

- The party's financial circumstances as outlined in Part B of the application; and
- Any attached statement by the individual containing further information to show financial hardship.
- The following equation:

$$\begin{array}{rcl} & & \text{B: Total Income} \\ \text{Less} & & \text{C: Total Necessary Living Expense} \\ \text{Plus} & & \text{A: Total Funds} \\ \text{Equals} & \underline{\quad\quad\quad} & \text{D: Available Funds} \\ & \underline{\quad\quad\quad} & \end{array}$$

The registrar must approve the application if:

- The Available Funds are less than twice the relevant fee; or
- The registrar reasonably believes from the information contained in the applicant's statement that the payment of the fee will cause the applicant to suffer financial hardship. (E.g. The applicant has upcoming medical expenses that the available funds are to be used to pay.)

The registrar must refuse the application if the Available Funds are equal to or greater than twice the relevant fee.

Please note: This publication was produced prior to the current government.