

What is the Skilling Australians Fund (SAF) Levy?

The Skilling Australians Fund (SAF) Levy came into force on August 12th 2018 and impacts employers nominating overseas workers on temporary and permanent visas. It replaces the 'training benchmark requirements' that employers were previously required to meet. The revenue generated from the SAF Levy will contribute to the training on Australian workers.

Which Visa classes does the SAF affect?

The SAF levy impacts employers nominating overseas skilled workers in the following Visa classes:

- Temporary Skills Shortage (TSS) (subclass 482)
- Employer Nomination Scheme (ENS) (subclass 186)
- Regional Sponsored Migration Scheme (RSMS) (subclass 187)

What will the SAF Levy cost?

The cost of the SAF Levy will depend on annual turnover of the business, the type of visa and the number of employees nominated for sponsorship.

Businesses with turnover less than \$10 million are required to pay \$1,200 per year for each TSS visa nomination. Larger businesses with turnover exceeding \$10 million will pay \$1,800 per year per nomination. The table below outlines the SAF Levy paid for each visa category:

Turnover	482 TSS visa valid for 2 years (STSOL Occupations)	482 TSS visa for 4 years (MLTSSL Occupations)	186 ENS PR visa	187 RSMS PR visa
Annual turnover < \$AUD10 million	A\$2,400 (A\$1,200x2) Maximum amount	\$A4,800 (A\$1,200 x 4) Maximum amount	A\$3,000 One-off	A\$3,000 One-off
Annual turnover > \$AUD10 million	A\$3,600 (A\$1,800 x 2) Maximum amount	\$A7,200 (A\$1,800 x 4) Maximum amount	A\$5,000 One-off	A\$5,000 One-off

Is the SAF levy tax deductible?

Yes

Can the SAF levy costs be passed onto my employee?

No. **Employers are prohibited** from passing the costs of the SAF levy to employees.

Does the SAF levy apply to existing visa applications lodged prior to the commencement date?

No. The SAF levy only applies to application lodged after August 12th 2018.

What has happened to the existing training benchmarks?

The SAF levy came into effect on 12 August 2018. The SAF levy has replaced the current training benchmark requirement and employers will not be subject to the SAF levy and the existing training benchmarks for applications lodged after the 12th August 2018. The Department of Home Affairs may still request previous compliance with training under the Sponsorship obligations framework.

Please call us to discuss if this could affect your application.

FOR MORE INFORMATION CONTACT:

Edupi Migration MARN: 1169631

Ph: 02 9235 0919 E: info@edupi.com.au

Is it possible to have the SAF levy refunded?

Yes. Employers will be eligible for a refund on the SAF levy in the following circumstances:

- The sponsorship and visa applications are approved, but the sponsored worker does not arrive or commence employment with the employer.
- The sponsorship and nomination application are approved, but the visa application is refused on character or health grounds.
- A TSS visa holder leaves the employer within the first 12 months of employment when the visa period is for more than 12 months. Refunds will only be available for unused full years of the SAF levy and does not apply to ENS or RSMS holders who leave the employer within the first 12 months of employment. If an employee on a TSS visa leaves employment after 12 months no refund provisions apply.
- The nomination fee is refunded (when a concurrent sponsor application is refused).

Is the SAF levy capped?

Yes, the individual fee payable is capped to a maximum of \$8,000.00 per applicant. It is not capped at the total amount a business can pay; ie each applicant will attract the SAF levy.