



---

## Legislative Instrument

### *Higher Education Funding Act 1988:* Factor to index an accumulated higher education contribution debt.

---

I, Erin Kathleen Holland, as delegate of the Commissioner of Taxation, notify that pursuant to subsection 106N(9) of the *Higher Education Funding Act 1988*, that 1.024 is the factor to be used for the indexing of accumulated higher education contribution (HEC) debts on 1 June 2005.

#### **Citation**

This instrument may be cited as a factor to index an accumulated HEC debt.

#### **Commencement**

This Instrument commences on 1 June 2005.

#### **Application**

In accordance with subsection 106N(5) of the *Higher Education Funding Act 1988*, the indexation factor is the number worked out to three decimal places using the formula:

the sum of the index number for the March 2005 quarter and the index numbers for the 3 immediately preceding quarters

divided by

the sum of the index number for the March 2004 quarter and the index numbers for the 3 immediately preceding quarters,

where index number, in relation to a quarter, means the All Groups Consumer Price Index number, being the weighted average of the 8 capital cities, published by the Australian Statistician in respect of that quarter.

**Indexation factor for 1 June 2005:**

$$\begin{aligned} &= \frac{\text{Mar05} + \text{Dec04} + \text{Sep04} + \text{Jun04}}{\text{Mar04} + \text{Dec03} + \text{Sep03} + \text{Jun03}} \\ &= \frac{147.5 + 146.5 + 145.4 + 144.8}{144.1 + 142.8 + 142.1 + 141.3} \\ &= \frac{584.2}{570.3} \\ &= 1.024 \text{ (to 3 decimal places)} \end{aligned}$$

**The indexation factor is 1.024 and the effective percentage increase is 2.4%.**

(Erin Kathleen Holland)

Deputy Commissioner of Taxation

Dated this 11th day of May 2005