

Impact of changes to the LVT exemption scheme on charges for medical devices companies

Charges under the current Scheme									Charges under the proposed scheme					
	Rate	Total entries	LVT - zero turnover	LVT - low turnover	Net entries	Annual charges	LVT Application fees	Total paid	Rate reduced by	New Rate	LVT - zero turnover	Net entries	Annual charges	Impact
	\$	#	#	#	#	\$	\$	\$	%	\$	#	#	\$	\$
VOCO Australia Pty Ltd														
Device Class Ila	940	27	2	21	4	3,760	3,565	7,325	5%	890	2	25	22,250	(14,925)
Device Class I 'Other'	80	14	-	-	14	1,120	-	1,120	0%	80	-	14	1,120	0
Total		41	2	21	18	4,880	3,565	8,445			2	39	23,370	(14,925)
Dentsply (Australia) Pty Ltd														
Device Class Iib	940	1	-	-	1	940	-	940	5%	890	-	1	890	50
Device Class Ila	940	91	13	21	57	53,580	5,270	58,850	5%	890	13	78	69,420	(10,570)
Device Class I Sterile	615	2	-	1	1	615	155	770	0%	615	-	2	1,230	(460)
Device Class I Measuring	615	2	-	2	2	1,230	-	1,230	0%	615	-	2	1,230	0
Device Class I 'Other'	80	163	-	-	163	13,040	-	13,040	0%	80	-	163	13,040	0
Total		259	13	22	224	69,405	5,425	74,830			13	246	85,810	(10,980)
City Dental Supplies (T/a Casemate)														
Device Class Ila	940	6	-	3	3	2,820	465	3,285	5%	890	-	6	5,340	(2,055)
Device Class I 'Other'	80	10	-	-	10	800	-	800	0%	80	-	10	800	0
Total		16	-	3	13	3,620	465	4,085			-	16	6,140	(2,055)

Assumptions

The modelling is based on 2014-15 new and existing entry LVT applications. While VOCO did not apply for LVT in 2014-15, for the purpose of comparison of charges between the current LVT scheme and the proposed scheme we used the proportion of their LVT entries in 2013-14; If an entry has turnover of greater than \$0, the entry will no longer be eligible for exemption under the proposed scheme. The number of goods which will be cancelled by sponsors because they would not qualify for exemption under the proposed scheme has not been estimated. It is expected that some products will be cancelled (and that this will vary across product classes) and this will reduce annual charges to the sponsor.

No application fee is proposed under the proposed scheme

The modelling does not take into account any waivers that may be granted for essential products under a waiver scheme

Notes to the spreadsheet

Annual charges for AIMD, class III, class Iib, and class Ila medical devices are proposed to reduce by 5% for 2015-16

Figures in red means adverse impact on sponsor companies i.e. increase in annual charges

Company Name	Current Charges	Proposed Charges	Impact
VOCO Australia Pty Ltd	\$8,445	\$23,370	(\$14,925)
Dentsply (Australia) Pty Ltd	\$74,830	\$85,810	(\$10,980)
City Dental Supplies (T/a Casemate)	\$4,085	\$6,140	(\$2,055)
Total	\$119,950	\$156,270	(\$36,320)