



CRIS: ASIC INDUSTRY FUNDING MODEL (2024–25)

This document is part of [ASIC's 2024–25 CRIS](#). It should be read in conjunction with the other documents that make up the CRIS, including the key terms.

A Summary of ASIC's 2024–25 regulatory costs and estimated levies for subsectors

Key points

This document summarises:

- background information about the industry funding model (see paragraphs 1–5);
- ASIC's costs and levies for 2024–25 by regulatory activity and industry sector (see paragraphs 6–9 and Table 1–Table 3);
- estimated costs and levies for 2024–25 by industry subsector (see paragraphs 10–11 and Table 4);
- the difference between our total estimated recoverable costs for 2024–25 and recoverable costs for 2023–24 (see paragraphs 12–14); and
- forward estimates for future financial years (see paragraphs 15–18 and Table 5–Table 6).

Background information about ASIC's industry funding model

- 1 In April 2016, the Australian Government announced it would introduce an industry funding model for ASIC. This was in response to the recommendation of the Financial System Inquiry that the Government recover the cost of ASIC's regulatory activities directly from industry participants through fees and levies calibrated to reflect the cost of regulating the different industry sectors that we regulate.
- 2 The legislative framework for industry funding levies is established by a number of Acts, regulations and legislative instruments:
 - (a) the *ASIC Supervisory Cost Recovery Levy Act 2017*, which imposes a levy on persons we regulate to recover our regulatory costs;

- (b) the *ASIC Supervisory Cost Recovery Levy (Collection) Act 2017*, which empowers ASIC to collect the levy and requires entities to submit annual metrics so that we can calculate the levy;
- (c) the *ASIC Supervisory Cost Recovery Levy Regulations 2017*, which set out the criteria for determining the subsectors an entity is a part of and the metrics to be used for calculating the levy payable by entities in each subsector. The regulations also require ASIC to make an annual legislative instrument setting out, for each subsector, our regulatory costs and the total amount of activity (the subsector metric) for the financial year; and
- (d) the *Corporations (Review Fees) Regulations 2003*, under which our regulatory costs for small proprietary companies will be recovered through an increase to the annual review fee for proprietary companies.

- 3 For an overview of ASIC's industry funding model, which is prescribed in Acts and regulations, see our [ASIC industry funding](#) page and watch our video, [What you need to know about ASIC industry funding](#).
- 4 As the industry funding model recovers the actual cost of regulating the different industry sectors, the levies may vary from year to year because of changes to our regulatory and enforcement priorities which are set out in our [corporate plan](#) and [enforcement priorities](#).
- 5 A summary explanation of material levy variances from the 2023–24 CRIS can be found in the separate variance schedule on our [2024–25 CRIS](#) webpage.

Summary of ASIC's estimated costs and levies for 2024–25

- 6 We expect to recover \$349.3 million of regulatory costs via cost recovery levies and statutory levies for 2024–25. This includes \$6.9 million in allowance for capital expenditure, less costs funded by own-source revenue, and adjustments for under and over recoveries from 2023–24.

Note 1: The \$6.9 million includes \$1.1 million that was not recovered from deregistered companies. This amount is carried forward under s10(6)(b) of the *ASIC Supervisory Cost Recovery Levy Act 2017* (Cost Recovery Levy Act).

Note 2: We reduce the levies by costs funded by own-source revenue. We are not paying industry but there is a levy reduction this year to account for the large own-source revenue that we have received as part of our court awarded costs.

- 7 Table 1 outlines how we expect to recover our 2024–25 regulatory costs for each of our regulatory activities that are subject to industry funding.

Note: In this CRIS, we round figures to one decimal place in the text and three decimal places in tables. Items may not add up to totals due to rounding.

Table 1: Method of cost recovery by regulatory activity

Activity	Cost recovery levies	Statutory levies	Fees for service
Supervision and surveillance	\$64.622m	\$4.049m	Nil
Enforcement	\$77.334m	\$56.253m	Nil
Other regulatory activities			
<i>Industry engagement</i>	\$9.678m	\$0.000m	Nil
<i>Education</i>	\$0.399m	\$4.336m	Nil
<i>Guidance</i>	\$5.476m	\$0.000m	Nil
<i>Policy advice</i>	\$6.588m	\$2.567m	Nil
Indirect costs			
<i>Commission, legal services and risk management</i>	\$13.717m	\$0.000m	Nil
<i>Digital, data and technology</i>	\$47.935m	\$0.000m	Nil
<i>Corporate support</i>	\$20.779m	\$0.000m	Nil
<i>Property and accommodation services</i>	\$28.566m	\$0.000m	Nil
Fees-for-service activities			
<i>Licence applications or variations</i>	Nil	Nil	\$1.907m
<i>Registration application services</i>	Nil	Nil	\$0.530m
<i>Compliance review of documents</i>	Nil	Nil	\$8.334m
<i>Requests for changes to market operating rules</i>	Nil	Nil	\$0.272m
<i>Assessment of applications for relief</i>	Nil	Nil	\$8.204m
Total	\$275.095m	\$67.205m	\$19.246m

Note: In addition to the industry funding levies, there will be a recovery of \$6.9 million in allowance for capital expenditure, less costs funded by own-source revenue, and adjustments for under and over recoveries from 2023–24.

8 Table 2 outlines the regulatory costs expected to be recovered by industry funding levies for each sector.

Table 2: Regulatory costs to be recovered via industry funding levies by industry sector

Sector	Cost recovery levies	Statutory levies	Total levy
Corporate	\$61.948m	\$24.335m	\$86.283m
Note: For this sector, the regulatory costs recovered through levies do not include the costs recovered from small proprietary companies. The costs for that subsector are recovered through a \$4 increase to the annual review fee			
Deposit taking and credit	\$46.569m	\$10.630m	\$57.199m
Investment management, superannuation and related services	\$51.146m	\$12.558m	\$63.704m
Market infrastructure and intermediaries	\$66.546m	\$9.971m	\$76.517m
Financial advice	\$39.059m	\$7.132m	\$46.191m
Insurance	\$16.786m	\$2.579m	\$19.365m
Total	\$282.054m	\$67.205m	\$349.259m

- 9 The activities for which regulatory costs will be recovered via a statutory levy are set out in Table 3.

Table 3: Regulatory costs to be recovered by statutory levies by activity

Activity	Estimated costs
Enforcement (funded by Enforcement Special Account (ESA))	\$56.253m
Education	\$2.446m
Whistleblower legal framework	\$2.567m
Fighting scams	\$4.049m
Superannuation and retirement	\$1.891m
Total	\$67.205m

ASIC's 2024–25 estimated regulatory costs and levies

- 10 Table 4 outlines the regulatory costs expected to be recovered by industry funding levies for each subsector.
- 11 An entity can belong to more than one subsector. We have provided [further information to help entities determine the subsectors to which they belong](#) (PDF 229 KB) on our website.

Table 4: Overview of costs to be recovered through industry funding levies by subsector**Corporate sector**

Subsectors	Estimated costs	Estimated levy
Listed corporations	\$59.197m	Minimum levy of \$4,000 plus \$31.59 per \$1m of market capitalisation above \$5m. Maximum levy of \$717,967, for entities with a market capitalisation of greater than \$20bn
Unlisted public companies	\$3.027m	\$206
Large proprietary companies	\$9.861m	\$867
Small proprietary companies	\$38.065m	Not applicable
Auditors of disclosing entities	\$7.025m	\$100 per \$10,000 of revenue
Registered company auditors	\$3.140m	\$1,041
Registered liquidators	\$4.034m	Minimum levy of \$2,500 plus \$29.70 per appointment and notifiable event

Deposit taking and credit sector

Subsectors	Estimated costs	Estimated levy
Credit providers	\$34.352m	Minimum levy of \$2,000 plus \$43.42 per \$1m of credit provided above \$100m (for other than small and medium amount credit contracts)
Small and medium amount credit providers	\$4.942m	\$37.34 per \$10,000 of credit provided under small and medium credit contracts
Credit intermediaries	\$6.051m	Minimum levy of \$1,000 plus \$43 per credit representative
Deposit product providers	\$6.479m	Minimum levy of \$2,000 plus (if the entity's metric exceeds \$1m) \$1.98 per \$1m of total deposit liabilities above \$10m
Payment product providers	\$5.354m	Minimum levy of \$2,000 plus \$8.19 per \$10,000 of total revenue from payment product provider activity
Margin lenders	\$0.021m	\$874

Investment management, superannuation and related services sector

Subsectors	Estimated costs	Estimated levy
Superannuation trustees	\$26.621m	Minimum levy of \$18,000 plus \$10.37 per \$1m of assets above the \$250m threshold
Responsible entities	\$27.191m	Minimum levy of \$7,000 plus \$14.90 per \$1m of assets above the \$10m threshold

Subsectors	Estimated costs	Estimated levy
Wholesale trustees	\$6.042m	Minimum levy of \$1,000 plus \$4.11 per \$1m of adjusted total assets
Operators of notified foreign passport funds and regulated former notified funds	\$0.019m	No leviable entities
Custodians	\$2.252m	\$1,583
Investor directed portfolio service (IDPS) operators	\$0.074m	Minimum levy of \$10,000
Managed discretionary account (MDA) providers	\$0.708m	\$2,993
Traditional trustee company service providers	\$0.798m	\$72,329

Market infrastructure and intermediaries sector

Subsectors	Estimated costs	Estimated levy
Large securities exchange operators	\$4.824m	\$2.50 per \$1m of total transactions
Large futures exchange operators	\$1.135m	\$1,135,050
Small futures exchange operators	\$0.030m	\$29,771
Small securities exchange operators	\$0.565m	\$282,348
Small securities exchange operators with self-listing function only	\$0.004m	\$3,876
New specialised market operators	\$0.028m	\$17,025 for an entity operating for a full year
Established specialised market operators	\$0.711m	\$30,237 for an entity operating for a full year
Overseas market operators	\$0.670m	\$19,705 for an entity operating for a full year
Tier 1 CS facility operators	\$3.267m	\$816,747
Tier 2 CS facility operators	\$0.128m	\$128,295
Tier 3 CS facility operators	\$0.041m	\$32,873
Tier 4 CS facility operators	Nil	Nil

Subsectors	Estimated costs	Estimated levy
Exempt CS facility operators	\$0.008m	\$3,778 for an entity operating for a full year
Australian derivative trade repository operators	\$0.200m	\$100,047 for an entity operating for a full year
Exempt market operators	Nil	Nil
Credit rating agencies	\$0.015m	Minimum levy of \$2,000 plus \$1,100 for credit rating agencies with a supervisory college
Benchmark administrator licensees	\$0.144m	\$71,971
Large securities exchange participants	\$27.223m	Minimum levy of \$9,000 plus \$0.0244 per transaction and \$0.00053 per message
Large futures exchange participants	\$4.937m	Minimum levy of \$9,000 plus \$0.001 per lot and \$0.0159 per message
Securities dealers	\$7.039m	Minimum levy of \$1,000 plus \$36.86 per \$1m of annual transaction turnover
Corporate advisers	\$2.095m	Minimum levy of \$1,000 plus \$5.54 per \$10,000 of total revenue above the \$100,000 threshold
Over-the-counter (OTC) traders	\$9.532m	Minimum levy of \$1,000 plus \$4,874 per full-time equivalent staff engaged in OTC trading activity
Retail OTC derivative issuers	\$13.623m	\$177,632 for a full year
Wholesale electricity dealers	\$0.298m	\$6,936

Financial advice sector

Subsectors	Estimated costs	Estimated levy
Licensees that provide personal advice to retail clients on relevant financial products	\$39.271m	Minimum levy of \$1,500 plus \$2,314 per adviser
Licensees that provide personal advice to retail clients on products that are not relevant financial products	\$0.044m	\$80
Licensees that provide general advice only	\$5.234m	\$4,665
Licensees that provide personal advice to wholesale clients only	\$1.642m	\$825

Note: 'Relevant financial products' are financial products other than basic banking products, general insurance products, consumer credit insurance, or a combination of any of these products (see s910A of the *Corporations Act 2001*).

Insurance sector

Subsectors	Estimated costs	Estimated levy
Insurance product providers	\$15.597m	Minimum levy of \$20,000 plus \$2.12 per \$10,000 of revenue above the \$5m threshold
Insurance product distributors	\$1.674m	\$467
Risk management product providers	\$0.045m	\$550
Claims handling and settling services providers	\$2.049m	Minimum levy of \$500 plus \$0.278 per claim under insurance products in relation to which the entity provides claims handling and settling services

Estimated recoverable costs—Variance from 2023–24

- 12 ASIC's total estimated recoverable costs for 2024–25 of \$349.3 million are \$21.2 million (6%) higher than the \$328.1 million of recoverable costs for the 2023–24 year, with an increase in estimated levies across all sectors.
- 13 The movement in ASIC's total recoverable costs is driven by additional funding provided to ASIC to deliver Government priorities including beneficial ownership, the scams code framework, mandatory climate-related financial disclosures, and improving data capability and cyber security.
- 14 A summary explanation of material levy variances can be found in the separate variance schedule on our [2024–25 CRIS](#) webpage.

Forward estimates for future financial years**Industry funding levies**

- 15 Table 5 provides estimates of our revenue and expenses for costs recovered through industry funding levies for 2023–24 and 2024–25.

Table 5: Forward estimates for costs recovered through industry funding levies

Figure type	Actual figure for 2023–24	Estimates for 2024–25	Estimates for 2025–26	Estimates for 2026–27
Expenses	\$328.1m	\$349.3m	\$394.3m	\$396.8m
Revenue (costs recoverable)	\$324.1m	\$349.3m	\$394.3m	\$396.8m
Balance (revenue minus expenses)	(\$4.0m)	\$0.0m	Nil	Nil
Cumulative balance	(\$4.0m)	\$0.0m	Nil	Nil

- 16 The \$4.0 million balance carried forward from 2023–24 to 2024–25 represents estimated 2023–24 costs that will not be recovered from levies in 2023–24. This amount is carried forward under s10(6)(b) of the Cost Recovery Levy Act.

Fees for service

- 17 Table 6 provides estimates of our revenue and expenses for costs recovered through fees for service for 2024–25 and 2025–26.

Table 6: Forward estimates for costs recovered through fees for service

Figure type	Actual figure for 2023–24	Estimates for 2024–25	Estimates for 2025–26	Estimates for 2026–27
Expenses	\$20.5m	\$19.2m	\$19.2m	\$19.2m
Revenue (costs recoverable)	\$11.9m	\$11.5m	\$11.5m	\$11.5m
Variance (revenue minus expenses)	(\$8.6m)	(\$7.7m)	(\$7.7m)	(\$7.7m)

- 18 The variance for 2023–24 is due to an increase in costs since 2017, when the fees were set.