

# Calculating the building levy factsheet

JUNE 2020

The building levy payment is collected from the applicant (usually building owner or developer) by a building consent authority and paid to MBIE. Collection from the applicant takes place when a building consent is granted.

The rate of the building levy is based on the minimum estimated value of the total building work for the building consent.

The building levy rate applies to every \$1,000 (or part \$1,000) of consented building work.

The total value of the building work must be over the prescribed threshold for the levy to be charged.

If the building value decreases or the building consent lapses, the applicant can apply for a refund of the building levy.

**IF YOU HAVE ANY QUESTIONS,  
PLEASE EMAIL:  
BUILDING@MBIE.GOV.T.NZ**

## Examples of building consent calculations

The examples below show how the new levy rate is calculated. The calculations show the building levy amount, per building consent.

### SCENARIO 1

#### BELOW THE BUILDING LEVY THRESHOLD

Calculation	
Total estimated value of building work	\$15,519 (a)
Total of every \$1,000 of building work (or part of)	0 (b)
Rate of building levy	\$1.75 (c)
Total amount of building levy paid by applicant	\$0 (= b x c)

### SCENARIO 2

#### Calculation

Total estimated value of a commercial development	\$3,200,000 (a)
Total of every \$1,000 of building work (or part of)	3,200 (b)
Rate of building levy	\$1.75 (c)
Total amount of building levy paid by applicant	\$5,600 (= b x c)

### SCENARIO 3

#### Calculation

Total cost of building work	\$210,400 (a)
Total of every \$1,000 of building work (or part of)	211 (b)
Rate of building levy	\$1.75 (c)
Total amount of building levy	\$369.25 (= b x c)