

Recommendations on levy rates and levy system proposals 2024

Levy rates				
What was proposed				ACC recommendation
Levy (excluding GST)	2025/26	2026/27	2027/28	Introduce the proposed increases in aggregate levy rates as proposed.
Aggregate Motor Vehicle levy rate per vehicle	\$122.84	\$131.94	\$141.69	
Earners' levy rate per \$100 liable earnings	\$1.45	\$1.52	\$1.59	
Aggregate Work levy rate per \$100 liable earnings	\$0.66	\$0.69	\$0.72	
Work Account proposals				
What was proposed				ACC recommendation
Remove No Claims Discount and reduce subsidisation of Experience Rating product either in part or in full.				Remove No Claims Discount and remove the full subsidisation of Experience Rating product from 1 April 2026.
Increase the medical cost threshold in the Experience Rating product from \$500 to \$750 . To come into effect from 1 April 2025.				Introduce the proposed changes from 1 April 2025.
Increase the minimum and maximum liable earning thresholds in line with projected wage inflation. To come into effect from 1 April 2025.				Introduce the proposed changes from 1 April 2025.
Introduce a new classification approach for professional sports and ballet. To come into effect from 1 April 2025.				Introduce the proposed changes in the professional sports and ballet sectors from 1 April 2025. Phase the changes in over three years for businesses facing significant levy increases.
Introduce a new classification for home improvement stores. To come into effect from 1 April 2025.				Introduce the proposed changes from 1 April 2025.
For Accredited Employers, update the product discounts, admin fee, bulk-funded costs fee, and stop-loss and high-cost claim fees to reflect changes in the Work Account experience. To come into effect from 1 April 2025.				Introduce the proposed changes from 1 April 2025.
Introduce a new methodology for calculating payment plan interest, credit interest and penalty interest; and extend interest payable on payment plans to the 3-month and 6-month plan options, using Reserve Bank's Floating First Mortgage New Customer Housing Rate as base rate.				Use the Official Cash Rate as the base rate for the payment plan interest rate, penalty rate and credit interest calculations. Introduce the proposed change from 1 April 2026.
Increase the minimum and maximum liable earning thresholds in line with projected wage inflation. To come into effect from 1 April 2025. (Also applies to Earners' Account).				Introduce the proposed changes from 1 April 2025.



Motor Vehicle Account Proposals	
What was proposed	ACC recommendation
Introduce 0-250cc, 251-750cc, and 751+cc motorcycle sub-classes. To come into effect from 1 April 2025.	Introduce the proposed changes from 1 July 2026 to coincide with levy discounts for advanced rider training.
Increase the levies for motorcycles to the equivalent of 37% of motorcycle injury costs (currently 28%). To come into effect from 1 April 2025.	Introduce the proposed change in the following steps: From 1 July 2026 28% to 33% From 1 July 2027 33% to 37%.
Introduce a 25% discount for riders who have successfully completed advance rider training (equivalent to a RideForever Gold course). To come into effect from 1 July 2026.	Introduce the proposed change from 1 July 2026.
Close Fleet Saver product to new entrants from 1 July 2025.	Introduce the proposed change from 1 July 2025.
Remove the levy discount for Battery Electric Vehicles and diesel Plug-in Hybrid Electric Vehicles. To come into effect from 1 July 2025.	Introduce the proposed change from 1 July 2025.

