

Chapter 7B

The DA levy

7B.1 Application and Purpose

Application

7B.1.1 **R** This chapter applies to every *person* listed in ■ FEES 1.1.2R(5).

Purpose

7B.1.2 **G** The purpose of this chapter is to set out the requirements on the *persons* listed in ■ FEES 7B.1.1R to fund the Treasury's costs relating to the provision of debt advice by the *Devolved Authorities*, and the related *FCA* collection costs.

Background

7B.1.3 **G** The Treasury's debt advice costs are defined in subsection 1 of section 137SB (Rules to recover debt advice expenses incurred by the devolved authorities) of the *Act* as the expenses incurred, or expected to be incurred, by the *Devolved Authorities* in connection with the provision of information and advice on debt to members of the public in Scotland, Wales and Northern Ireland.

7B.1.4 **G**

- (1) Under section 137SB(1) of the *Act*, the Treasury may notify the *FCA* of the amount of the debt advice costs.
- (2) Sections 137SB(2) and (3) of the *Act* require the *FCA* to make *rules* requiring *authorised persons, electronic money issuers or payment service providers* to pay specified sums, or sums calculated in a specified way, to the *FCA* with a view to recovering:
 - (a) the amount notified by the Treasury; and
 - (b) expenses incurred by the *FCA* in connection with its functions under section 137SB of the *Act*.

7B.1.5 **G** This chapter contains the *rules* referred to in ■ FEES 7B.1.4G(2).

7B.1.6 **G** Under section 137SB(8) of the *Act*, the *FCA* must pay to the Treasury the amounts that it receives under these *rules*, apart from amounts covering its collection costs (which it may keep).

7B.1.7 **G** The total amount raised by the *DA levy* may vary from year to year depending on the amount notified to the *FCA* by the Treasury.

7B.1.8 **G** These *rules* were made with the consent of the Treasury pursuant to section 137SB(5) of the Act.

Exemption

7B.1.9 **R** A *firm* is not liable to pay a *DA levy* in relation to *payment services* or *electronic money issuance* if it is the Bank of England, a government department, a local authority, a municipal bank or the National Savings Bank.

Gibraltar-based firms

7B.1.10 **R** In accordance with ■ GEN 2.3 (General saving of the Handbook for Gibraltar), *rules* or *guidance* in ■ FEES 7B that immediately before *IP completion day* applied in relation to or in connection with Gibraltar will continue to apply after *IP completion day*. The exceptions to this provision are the fee rates set out in Part 4 of ■ FEES 7B Annex 1R, which may change each *fee year*.