How is Daily Levy Interest Calculated in STRATA Master - (All regions excl QLD)

Factors taken into consideration when calculating interest in STRATA Master.

The interest amount owing is shown on the Receipt screen as well as the Current Owner Account. Interest amounts shown on the Due Notice are calculated to the **Due Date** appearing on the notice.

- **Calculation method selected in Agency Configuration**

Configure > Agency > Options #2 > Calculate interest from Due Date

If this is selected – which is the standard, then levy interest is calculated from the due date of the levy after any grace period has passed. If this is not selected interest is calculated from the end of the grace/interest free period.**

- **State (Region)**

Calculated monthly in QLD and daily in all other states/territories in Australia. Interest is calculated daily in NZ.

- **Interest rate (%)**

Corporation > Financial > Interest Rate

If a rate of zero has been entered, no interest will be calculated.

- **Interest Free Period**

Corporation > Financial > Interest Free Period

This can be adjusted to a maximum of 95 days/months/quarters/years. Interest will not be calculated until the interest free period has passed.

- **Due Date**

Interest on levies is calculated from the Due date as entered via the Levy Posting

- **Any interest already paid on the levy**

If a portion of interest has already been paid, STRATA Master will calculate the total amount owing and subtract these, to display the new interest amount owed.

An Example

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Formula: Amount X interest rate / 365 X number days overdue

Example: **Current Date**   **14/07/2016**   **Interest rate**   10%

Levy Amount: $100.00   **Due Date**
01/06/2016

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Calculate total annual interest amount: $100 x 0.10 (decimal expression of 10%) = $10.

Divide $10 by 365 days for daily amount = 0.027 per day.

Multiply 0.027 by number of days overdue, which is 43 days overdue up to 14/7.

Equals $1.17 interest owing to date for that levy

- Repeat the Process for any other Levies Overdue.
- Deduct any interest free period from the days overdue (As noted above ** refer to the selection in Configure >Agency > Options#2) .

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