Australian Government

Tuition Protection Service

2027 International TPS Levy

Sector Consultation on Draft Levy Settings

Sept-Oct 2026

Kate Tagg

TPS Director (a/g)

www.tps.gov.au

Australian Government

Tuition Protection Service

Outline

Tuition Protection Service (TPS)

International TPS Levy setting process, Fund and collection overview

Levy components and draft 2027 settings

Request for Information, late payments and levy notices

2027 levy timeline and takeaways

Tuition Protection Service (TPS)

TPS Director, team and Advisory Board

Purpose of the Tuition Protection Service (TPS)

What the TPS does

- Supports students with tuition fee refunds, loan re-credits and course placements
- Helps providers meet their obligations
- Manages tuition protection levies

Who the TPS supports

- International students
- VET Student Loans (VSL) students
- HELP and higher education up-front fee-paying students

Australian Government initiative, supported by the Department of Education

Safeguards Australia's reputation as a trusted education destination

Tuition Protection Service Director

Kate Tagg, TPS Director (a/g)

- **Statutory office holder** appointed by the federal Minister for Education
- **Operational oversight** of the daily activities of the TPS

Responsible for:

- **annual collection of tuition protection levies** from eligible education providers
- **managing the levy funds**

Supported by small team of 13 staff

TPS Advisory Board

1. **Ms Sharon Robertson** (Chair)
2. **The Hon. Phil Honeywood** (Deputy Chair)
3. **Ms Joanna Kwai** (General Board member)
4. **Mr Trevor Schwenke** (General Board member)
5. **Dr Damian Oliver (a/g)**, Department of Education
6. **Ms Renae Houston**, Department of Employment and Workplace Relations
7. **Mr Guy Thorburn**, Australian Government Actuary
8. **Mr Anthony Leong**, Australian Prudential Regulation Authority
9. **Ms Gemma Cooper**, Department of Finance
10. **Ms Maria Amory**, Department of Home Affairs

View Board member profiles at **tps.gov.au**

International TPS Levy

Levy setting process, guiding principles and legislation

International TPS Levy

An **annual tuition protection levy** collected from **international** education providers

Paid into the **Overseas Students Tuition Fund (OSTF)** – a quarantined account managed by the TPS Director

Funds the student placement and refund activities of the TPS following an international education provider closure and **TPS operational costs**

Levy calculation based on an education provider’s size and risk of closure

Legislative Authority: Education Services for Overseas Students (TPS Levies) Act 2012
www.legislation.gov.au/C2012A00011/latest/text

International TPS Levy Setting Process

26 Aug 2026	**TPS Advisory Board provided draft advice to the TPS Director** on the 2027 International Levy settings
Sept-Oct 2026	**TPS consults with the sector** on the draft settings
18 Nov 2026	**TPS Advisory Board considers the sector's feedback** on the draft settings then **provides final advice to the TPS Director**
By 1 Jan 2027	**2027 levy settings finalised** in legislative instruments

TPS Advisory Board's Advice on Levy Settings

Factors considered by the Board

- Overall risk environment
- Advice from the Australian Government Actuary (AGA)
- Feedback from regulators, peak bodies and providers
- Current Fund balance and the funds required for long-term sustainability

Principles that guide the Board's advice

- Reflect the current risk environment
- Make changes gradually to support business planning
- Keep levy model simple and transparent
- Reflect risk to the fund and encourage positive provider behaviour
- Minimise extra data and reporting requirements for providers

Overseas Students Tuition Fund and Levy Collection Overview

Overseas Students Tuition Fund (OSTF)

International TPS Levy paid into OSTF

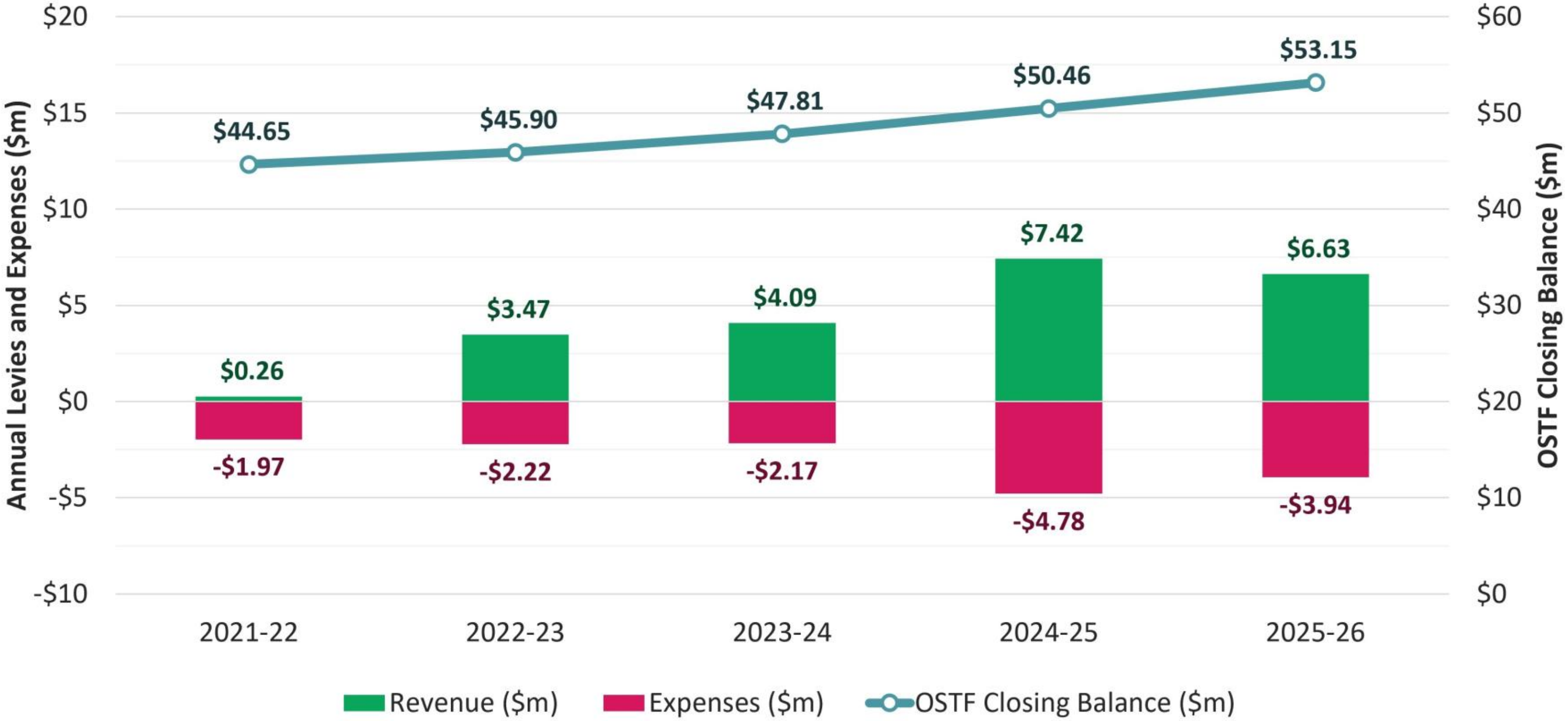
AGA recommends target range for OSTF to ensure sufficient funds are available for a large provider closure or multiple provider closures

AGA recommends maintaining the 2026 target range for 2027

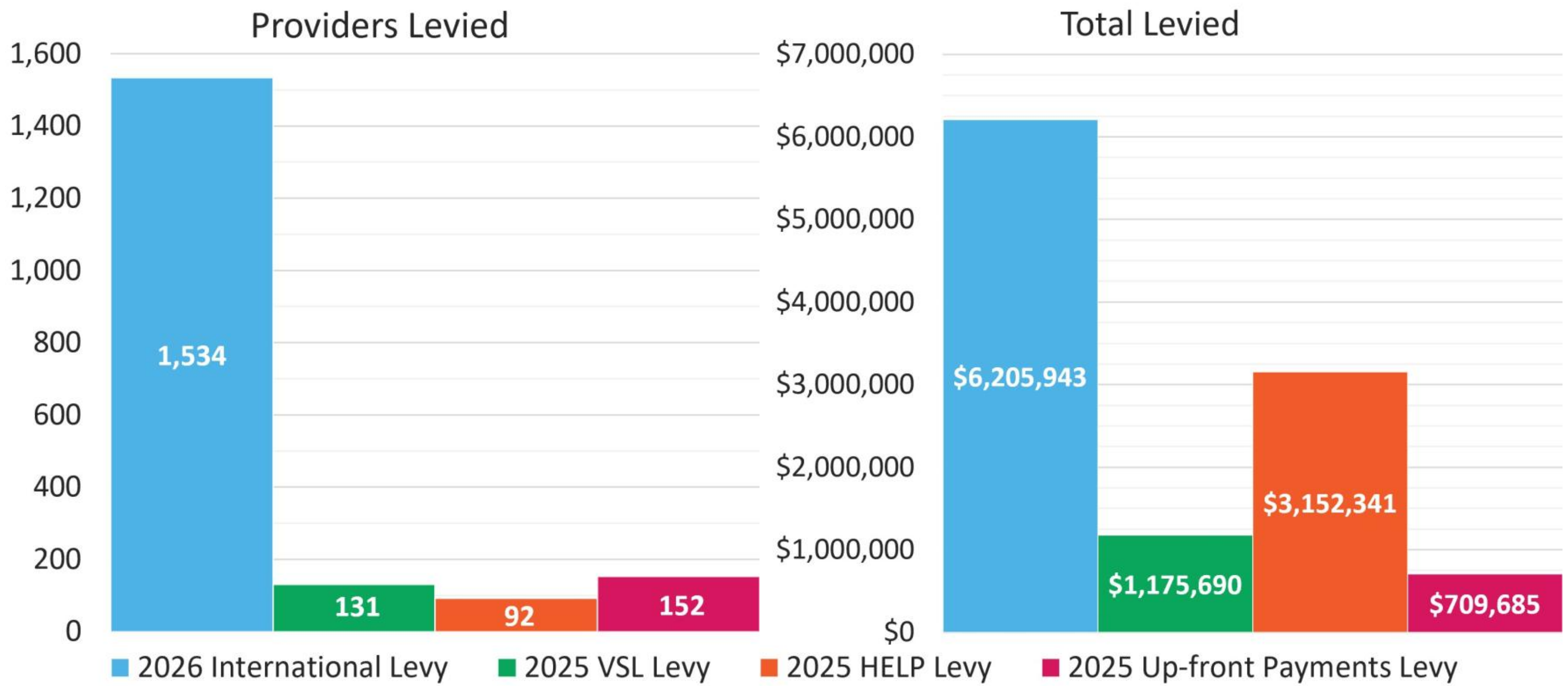
OSTF Balance: $53.15 million (30 June 2026)

Target range	Mid-point of target range
Current: $50-70 million	**Current**: $60 million
2027 recommendation: $50-70 million	**2026 recommendation**: $60 million

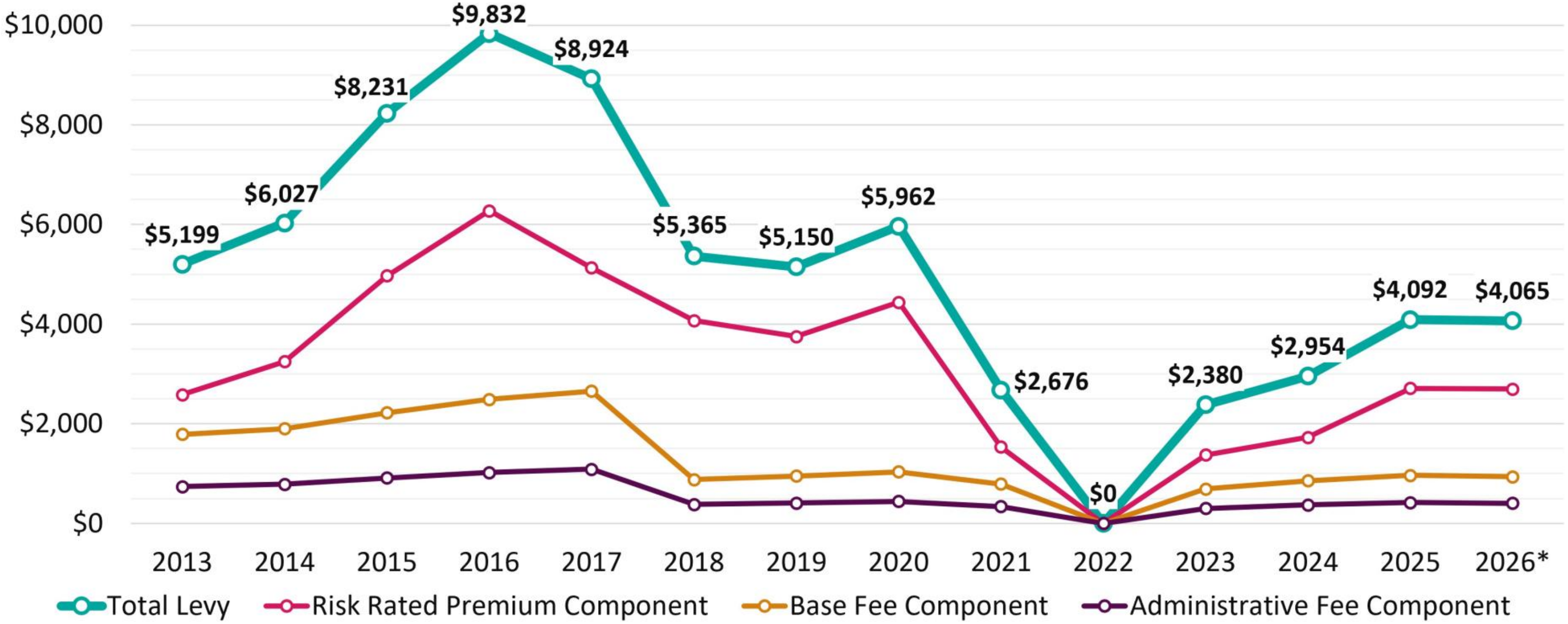
OSTF Revenue, Expenses and Balance: Last 5 Financial Years



TPS Levy Collection Overview 2025-26



Average International Levy Amount per Provider 2013-26



*2026 figures are approximate

International TPS Levy Components and Draft 2027 Settings

International TPS Levy Components

Component	Key elements	Purpose and authority
Administrative Fee	Sum of a ‘per provider’ and ‘per student’ charge	Designed to cover administrative costs Set by **Minister for Education**
Base Fee	Sum of a ‘per provider’ and ‘per student’ charge	Maintains OSTF balance at a sustainable level Set by **Minister for Education**
Risk Rated Premium	Considers **5 risk factors** and overseas student tuition fees for previous year	Intended to reflect risk of provider closure Set by **TPS Director** with Board advice
Special Tuition Protection	Percentage multiplied by overseas student tuition fees for previous year	Charged when OSTF is below target range Set by **TPS Director** with Board advice

Draft 2027 International TPS Levy Settings

Component	Draft 2027 Settings
Administrative Fee*	**$110.00** per provider + **$0.58** per 2026 overseas student enrolment
Base Fee*	**$223.00** per provider + **$1.41** per 2026 overseas student enrolment
Risk Rated Premium	[**0.05%** x total risk factor value] x total 2026 overseas student tuition fees
Special Tuition Protection	**0%** x total 2026 overseas student tuition fees

***Administrative and Base Fee figures reflect 2026 values and may be indexed to CPI for 2027**

Note: 2027 levy calculated using student enrolment numbers and revenue for 2026 calendar year

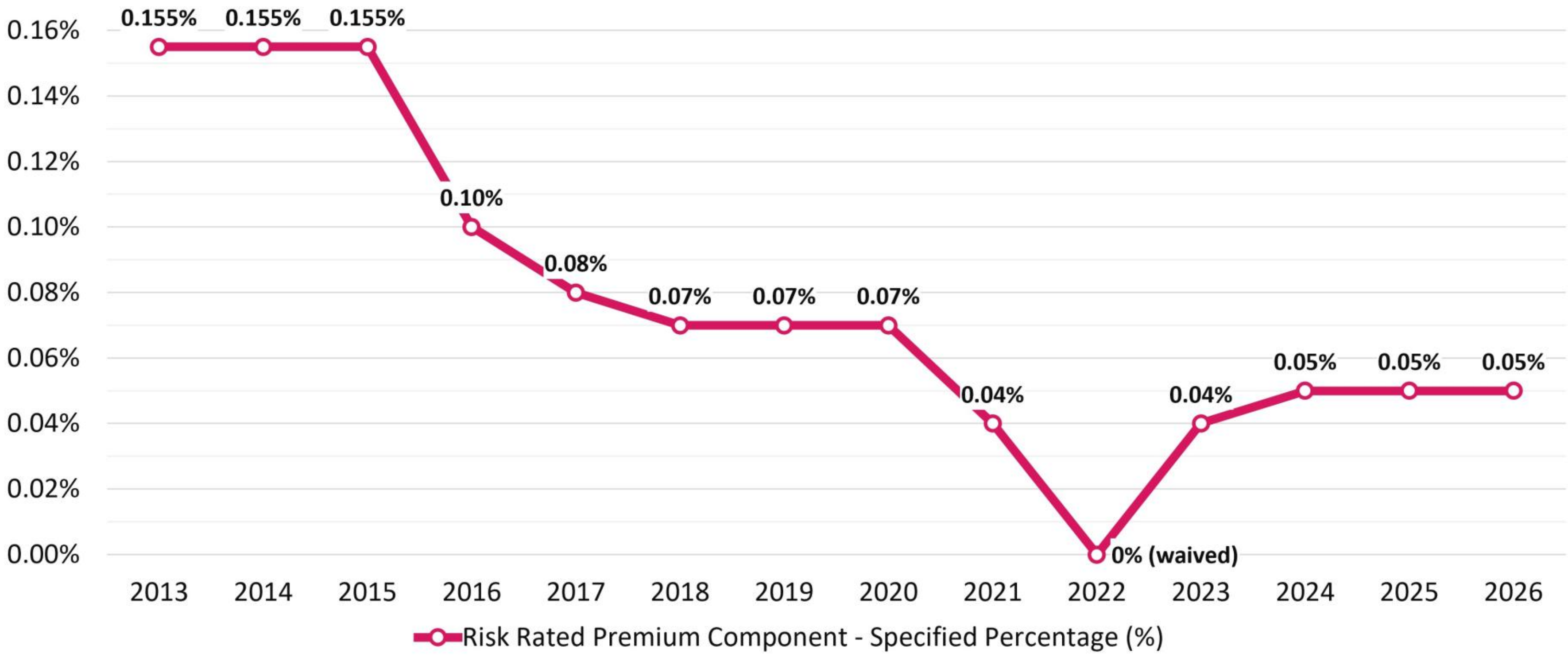
Risk Rated Premium Component

Considers 5 risk factors designed to reflect the risk of provider closure

Providers receive a risk factor value for each risk factor

Higher risk factor values indicate higher risk of closure

Risk Rated Premium Component Specified Percentage 2013-26



Risk Rated Premium Component: Risk Factors

Base Risk Factor	Risk factor value of 1.0 applied for all providers
Length of Operation	Higher risk of closure associated with shorter length of operation
Volatility in Overseas Student Enrolments	Higher risk of closure associated with extreme volatility in overseas student enrolments
Maximum Overseas Source Country Concentration	Higher risk of closure associated with heavy reliance on a single source country of overseas students
Non-Compliance and Registration Renewal	Penalties for late payment of the levy or CARC, having sanctions imposed for non-compliance, shorter registration periods due to risk management concerns, and/or having at least one student default where the refund was paid by the TPS

Risk Rated Premium Component: Risk Factor Values

Total risk factor value for the year

=

(Base risk factor + Length of operation + Volatility in overseas student enrolments + Maximum overseas source country concentration + Non-compliance history and registration renewal)

Risk Rated Premium Component Formula

$$\left[\text{specified percentage for 2027} \times \text{total risk factor value}\right] \times \text{provider's overseas student tuition fees for 2026}$$

Proposed specified percentage for 2027: **0.05%**

Risk Rated Premium Component: High risk example

$$\left[\ 0.05\% \times 4.5\ \right] \times \$2{,}000{,}000$$

= 0.00225 x $2,000,000

= **$4,500**

Risk Rated Premium Component: Low risk example

$$\left[\quad 0.05\% \quad \times \quad 1.0 \quad \right] \times \quad \$2{,}000{,}000$$

= 0.0005 x $2,000,000

= **$1,000**

Special Tuition Protection Component

Charged when the OSTF is below its target size

Formula:

specified percentage for 2027 X provider's overseas student tuition fees for 2026

Proposed specified percentage for 2027: **0%**

Request for Information, Late Payments and Levy Notices

Request For Information (RFI)

Non-exempt providers will receive an RFI in early 2027 to declare their 2026:

- **overseas student tuition fee income**, and
- **domestic student enrolment numbers**

This information is **required for levy amounts to be calculated**. Providers have **2 weeks** to respond to the RFI.

Failure to comply with a request under subsection 26(3) of the ESOS Act is considered a breach

2026 RFI Non-compliance

57 providers failed to respond to the RFI by the due date in 2026

The TPS referred these providers to the relevant regulator for compliance action

To avoid levy invoicing delays, the following methodology was applied to RFI non-respondents in 2026 (and will be applied again for the 2027 levy):

- **overseas student tuition fee income**: average tuition fee income received per overseas student (derived from RFI respondents) multiplied by non-respondents' overseas student enrolments, and
- **domestic student enrolments**: zero

2026 International TPS Levy: Late Payments

Invoices issued 10 March 2026, with payments to be received 10 April 2026

1,534 providers invoiced

120 providers did not pay by the due date and received a late payment penalty

36 providers did not pay by the reminder notice due date and were suspended

As of 25 August 2026, **32** providers still had outstanding payments, totalling **$39,387.02**

Late or Non-Payment of International TPS Levy

The TPS is obligated to send **one reminder notice** to providers who have not paid their levy by the due date. Providers have **7 days** to pay after the reminder notice is given.

Providers whose payment is received after the due date will receive a **late payment penalty of 20% of their unpaid levy amount**. They may also receive a **weighted late payment penalty** in the non-compliance risk factor calculation of the **next three years' levies**.

A provider's registration will be automatically suspended if they fail to comply with the reminder notice (s90 ESOS Act). The provider reinstatement fee in 2026 was $694.

Levy invoices are sent to PEO contacts in PRISMS. **Keep your contact information in PRISMS up to date**. **To update your PEO details, please contact your regulator**.

2027 International TPS Levy Notices

You will receive the following notices about your 2027 levy:

- Early advice
- Request for Information (RFI) (with 2 weeks to respond)
- Invoice (with 28 days to pay)
- Reminder notice (if your payment has not been received by the due date)
- Late payment penalty invoice (if applicable)
- Suspension notification (if applicable)
- Provider reinstatement fee invoice (if applicable)

2027 International Levy Timeline and Takeaways

2027 International TPS Levy Timeline

August 2026

26 August
- Draft advice on 2027 International TPS Levy confirmed at TPS Advisory Board meeting

Late August
- Draft advice letter published on TPS website

Sept – Oct 2026

8 September
- Online session for all providers

Mid September
- **9 Sep**: In-person sessions, Melbourne
- **16 Sep**: In-person session, Brisbane
- **23 Sep**: In-person sessions, Sydney

Mid October
- **13-14 Oct**: Online, interactive sessions for all providers

September-October
- Meetings with stakeholders

November 2026

18 November
- TPS Advisory Board considers sector feedback
- Final advice on 2027 International TPS Levy settings confirmed at Board meeting

Mid-November
- Legislative instrument drafted and sent to Treasurer
- Department of Education briefing for Administrative and Base Fee components sent to Minister for Education

December 2026

31 December
- Legislative instrument must be approved by Treasurer and signed off by TPS Director

Feb – May 2027

February
- Non-exempt providers receive a Request for Information to declare their 2026 overseas students tuition fee income and domestic student enrolment figures

March
- 2027 levy invoices sent to providers

April-May
- International levy collected

Takeaways

Board's draft advice on 2027 levy settings: **No changes proposed from 2026 settings**

1. Risk Rated Premium component specified percentage to be maintained at 0.05%

2. Special Tuition Protection component specified percentage to be maintained at 0%

3. All risk factors and settings to be maintained at 2026 levels

4. Target range of OSTF to be maintained at $50-70 million

Timeline estimates levy will be collected in April-May 2027

Key messages

Ensure **all contact information** and **student enrolment data in PRISMS** is **up to date**

Submit your RFI on time to ensure your levy can be calculated

Pay the full and correct levy amount on time to avoid receiving a late payment penalty and a non-compliance loading for the next three levies

Check account details and reference number are correct before making a payment

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www.tps.gov.au

www.tps.gov.au

operations@tps.gov.au