Q&As – 2027 International TPS Levy Consultation

Responses to questions asked at consultation sessions

Throughout September and October 2026, the Tuition Protection Service (TPS) conducted consultation sessions for leviable CRICOS providers on the draft settings of the 2027 International TPS Levy (the levy) proposed by the TPS Advisory Board (the Board). Questions asked at the consultation sessions and responses to those questions are below.

Levy settings – calculation

You mention 'non-exempt' providers in the context of the Risk Rated Premium component. Who is 'exempt' from the Risk Rated Premium component?

The Minister for Education may, by legislative instrument, prescribe classes of registered providers that are exempt from paying the Risk Rated Premium component of the levy.

Under the Education Services for Overseas Students (TPS Levies—Exemptions) Instrument 2022[1], the following providers are exempt from paying the Risk Rated Premium component of the levy:

a. Table A providers
b. government schools
c. state or territory VET institutions.

What is the maximum possible total risk factor value that can be assigned under the Risk Rated Premium component?

Five risk factors are used in calculating the Risk Rated Premium component:

1. Base risk factor
2. Length of operation
3. Volatility in overseas student enrolments
4. Maximum overseas source country concentration
5. Non-compliance and registration renewal.

A provider will receive a risk factor value for each of the five risk factors, which are summed together and used as a multiplier for the provider's Risk Rated Premium component calculation.

For the 2027 levy, the maximum possible total risk factor value a provider can receive is 12.6. For further information, please refer to the Draft Settings of the 2027 International TPS Levy Fact Sheet.[2]

[1] www.legislation.gov.au/F2022L01727/latest/text
[2] www.education.gov.au/tps/resources/draft-settings-2027-international-tps-levy-fact-sheet

Levy settings – considerations

To what extent do levy settings take account of government decisions and market conditions outside providers' control, such as managed growth settings, changes to visa policy, and course cancellations?

In formulating its levy settings advice, the Board considers several factors including the advice of the Australian Government Actuary (AGA), the strategic risk environment, the views of relevant sector regulators and industry peak bodies, and the quantum of funds required for the long-term sustainability of the Overseas Students Tuition Fund (OSTF). The Board also aims to ensure proposed levy settings are sustainable for the industry.

The Board may propose short-term or long-term changes to the levy settings in response to market conditions outside providers' control. Examples include waiving the 2022 International TPS Levy as a COVID-19 relief measure for CRICOS providers and temporarily waiving the risk factor values for positive volatility in overseas student enrolments for the 2023 and 2024 levies to avoid penalising providers experiencing growth in student enrolments post-COVID.

The Board also considers feedback received from education providers at levy consultation sessions in their consideration of levy settings.

Does the levy methodology adequately account for the differing capacity of large providers to absorb volatility in overseas student enrolments, particularly where some risk factors appear targeted at risks more commonly faced by smaller providers?

As the 2027 International TPS Levy will be calculated based on each provider's 2026 overseas student enrolment figures and overseas student tuition fees received, a provider's levy amount is therefore proportionate to their number of enrolments and income received.

Additionally, to avoid unfairly penalising smaller providers, the 'volatility in overseas student enrolments' risk factor in the Risk Rated Premium component is only applicable for non-exempt providers:

a. that had either or both of the following apply in the previous year:
    i. at least 20 overseas student enrolments
    ii. $400,000 or more in tuition fee income received, and
b. whose proportion of overseas student enrolments was 20% or more of its total student population in the previous year.

Schools tend not to have a high number of international students. How is that recognised in the levy calculation?

The 'volatility in overseas student enrolments' and 'maximum overseas source country concentration' risk factors in the Risk Rated Premium component are only applicable for non-exempt providers:

a. that had either or both of the following apply in the previous year:
    i. at least 20 overseas student enrolments
    ii. $400,000 or more in tuition fee income received, and
b. whose proportion of overseas student enrolments was 20% or more of its total student population in the previous year.

These risk factor filters are applied to avoid unfairly penalising providers with a small number of international students.

Over what period is 'volatility in overseas student enrolments' measured? Is it short-term shocks or longer-term shifts?

The 'volatility in overseas student enrolments' risk factor calculates the percentage increase or decrease in overseas student enrolments for the previous year compared with the preceding year. For the 2027 levy, a provider's volatility in overseas student enrolments percentage will be calculated as follows:

$$\left[\frac{\text{Number of overseas student enrolments in 2026}}{\text{Number of overseas student enrolments in 2025}} - 1\right] \times 100$$

If a provider did not have overseas student enrolments in 2025, the provider's volatility in overseas student enrolments will be 0%.

How does the 'volatility in overseas student enrolments' risk factor account for providers' New Overseas Student Commencement (NOSC) allocations?

The 'volatility in overseas student enrolments' risk factor considers the number of **enrolments** for the provider for the previous calendar year, whereas NOSC allocations are used to determine the priority applied to visa application processing under Ministerial Direction 115 (MD115) and do not necessarily represent actual levels of activity. The 'volatility in overseas student enrolments' risk factor is calculated using actual overseas student enrolment data reported through PRISMS and measures the year-on-year percentage change in a provider's overseas student enrolments. The risk factor is included as analysis conducted by the AGA has identified a strong correlation between significant increases or decreases in overseas student enrolments and provider default risk.

While the TPS recognises that government policy settings, including NOSC allocations, may influence a provider's recruitment of new overseas students, the volatility risk factor is designed to assess the provider's observed enrolment profile rather than the reasons for the changes in enrolment numbers. It therefore applies consistently across providers based on actual enrolment movements recorded in relevant years. Further, the TPS understands that no active international education provider will receive a lower NOSC allocation in 2027 than 2026.[3]

The TPS Director, with advice from the AGA and the TPS Advisory Board, keeps the levy methodology and risk factors under review to ensure the risk factors continue to appropriately reflect provider risk of default and broader sector conditions.

Overseas Students Tuition Fund (OSTF) – Balance and Target Range

If the OSTF balance falls below the target range, would levies increase immediately, or is any adjustment intended to occur over time given that achieving the target balance is a longer-term objective?

In accordance with its guiding principles, the Board's levy settings advice aims to reflect the overall risk environment and ensure that revenue sustains the OSTF while also being sustainable for the industry.

The OSTF target range is intended as a long-term objective rather than a requirement to be met at all times, and the Board recognises there may be periods when the target is not met. In these circumstances, any proposed changes to the levy settings would be expected to occur gradually, assist the industry with business planning by providing a stable regulatory environment, and progressively increase the OSTF balance over time as conditions improve and it is appropriate and sustainable for the industry to do so.

[3] www.education.gov.au/managed-system-international-education

What happens if there are lots of closures requiring TPS assistance, significantly reducing the OSTF balance?

If the OSTF balance has been significantly reduced by a high volume of closures requiring TPS assistance, the levy settings may be adjusted to build the OSTF balance over time and ensure sufficient funds remain available to support affected students.

Any increase in levy amounts, and the timing of those increases, would be informed by advice from the Board, who consider several factors including:

- the overall risk environment
- advice from the Australian Government Actuary
- feedback from regulators, peak bodies and providers
- current Fund balance and the funds required for long-term sustainability.

The Board may propose setting a specified percentage above 0% for the Special Tuition Protection component of the levy, which is designed to be charged when the balance of the OSTF is below its target size.

Levy Notices and Invoices

Will the Request for Information (RFI) be sent to PEOs?

Yes, the RFI is sent to PEOs as well as e-Business contacts drawn from PRISMS.

For the RFI, are you seeking tuition fee income 'earned' in 2026 or tuition fee income 'received' in 2026?

In the request for information (RFI) for the 2027 International TPS Levy collection, providers will be asked to provide overseas student tuition fee income that was received in the 2026 calendar year.

The TPS is seeking the tuition fees received from overseas students or intending overseas students on a student visa (subclass 500) for lectures, tutorials, tutoring sessions, training, excursions, fieldwork, laboratories, or practical experience that form part of a course or assist the student to progress in their course.

Non-tuition fees which should be excluded from the income declaration include fees received for books or equipment sold to a student, health insurance, administration, accommodation, and assisting the student to apply for or hold a student visa.

What contact details are used for levy notices? Can administrative contacts be added? How do contact details held in PRISMS, training.gov.au and CRICOS interact with one another?

All levy notices and invoices are sent to the Principal Executive Officer (PEO) and eBusiness contacts drawn from PRISMS. Providers should ensure their contact details are kept current. Changes to PEO contact details must be made through the provider's relevant CRICOS registration/accreditation authority. If you are unsure of your regulator, please visit the CRICOS contact page.[4] Other relevant PRISMS contact information, including eBusiness contacts, can be maintained in accordance with the PRISMS Provider User Guide.[5]

[4] cricos.education.gov.au/Contacts/CRICOSContacts.aspx
[5] prisms.education.gov.au/Information/ShowInformation.aspx?q=3C5D9DD99B264D66896720F1BBC7C82C

The management of all contact information is the responsibility of each provider and the TPS is unable to update this information on behalf of a provider.

CRICOS is the authoritative public register of providers and courses approved to enrol international students, while PRISMS is the operational system that uses and manages much of this CRICOS information for provider administration, Confirmation of Enrolment (CoE) issuance and compliance reporting. For VET providers, training.gov.au holds RTO registration and training product information, which may inform CRICOS registrations, but contact details are maintained separately and may not always align across CRICOS, PRISMS and training.gov.au.

TPS Operations

Does the TPS have a plan to manage the CoE BSB80120 cancellations that occurred on 5 October 2026?

The Assistant Minister for International Education made a legislative instrument[6] that specifies the BSB80120 Graduate Diploma of Management (Learning) (GDML) for automatic suspension and cancellation of its CRICOS registration. From 5 October 2026, CoEs for students who had not commenced the GDML course were cancelled and affected providers are required to meet their obligations to students under the ESOS framework, including offering an alternative course or a refund, as appropriate.

The TPS is closely monitoring providers affected by the GDML course cancellation to ensure they meet their provider default obligations to students. The TPS will ensure appropriate support is available where required.

The Department of Education has published a set of fact sheets[7] to assist providers in understanding their obligations and to support affected students.

In some cases, we (the provider) try many times to contact a student affected by a student default, but we are not able to reach them. If that student chooses to reach out to the TPS at a later date seeking a refund, will we (the provider) be penalised by the student default loading within the non-compliance risk factor even though we have tried to assist them?

The TPS understands the practical reality that providers must take all reasonable steps to meet their obligations to a student following a student default but are sometimes unable to do so due to circumstances outside their control, such as being unable to contact the student.

However, providers should be aware that following a student default they remain legally required to refund affected students' tuition fees within the provider obligation period of 4 weeks (section 47D and 47E of the ESOS Act), regardless of whether the student has responded to the provider's attempts to make contact.

Providers should therefore ensure they maintain appropriate records of their efforts to contact affected students and comply with their refund obligations as soon as practicable.

[6] Education Services for Overseas Students (Specified Classes of Courses for Automatic Suspension and Cancellation) Instrument 2026: www.legislation.gov.au/F2026L01160/asmade/text

[7] education.gov.au/esos-framework/resources/2026-fact-sheets-graduate-diploma-management-learning-course-cancellation

Who are the other stakeholders you meet with during levy consultation?

In addition to consulting with leviable CRICOS providers, for the 2027 International TPS Levy consultation the a/g TPS Director is engaging with representatives from the following industry peak bodies and agencies:

- Australian International Education Consultants Association (AIECA)
- English Australia
- International Education Association of Australia (IEAA)
- Independent Higher Education Australia (IHEA)
- Independent Schools Australia
- Independent Tertiary Education Council Australia (ITECA)
- National ELT Accreditation Scheme (NEAS)
- TAFE Directors Australia (TDA), and
- Universities Australia.

The TPS maintains ongoing communication with industry regulators and various government departments and agencies to support the TPS's broader functions. These relationships help the TPS stay informed of emerging trends, risks and developments across the international education sector, and this information can also inform the development of the draft and final levy settings alongside input from providers and peak bodies.