



To all supervised entities

OUR REFERENCE
24/3774

YOUR REFERENCE

DATE
May 2024

Apportionment of Finanstilsynet's expenditure in 2024 – supervisory levy

Legal basis (with amendments as of 1 July 2023)

Finanstilsynet's expenditure on supervision is recovered pursuant to the Act on Supervision of Financial Institutions etc. (Financial Supervision Act) of 7 December 1956 no. 1. Pursuant to Section 9 of the Act, the expenditure is apportioned among entities under supervision. The above Act is supplemented by regulations adopted by the Ministry of Finance on 18 December 2015 and subsequent amendments (Supervisory Levy Regulations). With effect from 1 July 2023, some amendments affecting the apportionment of expenditure were adopted.

According to the amendments, processing fees and an annual levy are introduced for entities operating in Norway that are licensed by the financial supervisory authorities in other countries (cross-border activities etc.). This applies to Norwegian agents of payment institutions established in another EEA state, Norwegian agents of investment firms established in another EEA state, managers of alternative investment funds (AIFMs) established in countries outside Norway, fund management companies established in another EEA state and auditors and audit firms established in countries outside the EEA.

Furthermore, loan intermediaries, account information service providers and benchmark administrators have been included in Section 3 of the Supervisory Levy Regulations on distribution by income. With effect from 2024, expenses for supervision are levied on loan intermediaries according to their income from licensable activity. With respect to account information service providers and benchmark administrators, the provisions of the Supervisory Levy Regulations are now in line with the practice of previous years. Equal distribution of expenses per entity for debt information undertakings, trust and company service providers and providers of exchange and storage services for virtual currencies has been laid down in Section 5 of the Supervisory Levy Regulations. This is in line with the practice of previous years.

The amendments also mean that significant Norwegian branches of foreign banks shall pay a supervisory levy calculated on the basis of 60 per cent of total assets, compared with 40 per cent in previous years. In addition, holding companies in financial services groups no longer constitute a separate category in the apportionment of expenses.

Who is required to pay the supervisory levy?

All entities that were subject to supervision on 31 December 2023 are required to pay the supervisory levy in 2024. Entities that were wound up or whose licence was revoked during 2023 are not required to pay the supervisory levy. Entities coming under supervision in 2023 must pay the

minimum amount applying to the category concerned, as must entities that have a licence, but no turnover.

Overall levy for apportionment

The Storting (Norwegian Parliament) determines Finanstilsynet's expenditure budget as part of the National Budget. The supervisory levy is based on the budget appropriation in the same year as the supervisory levy is sent out. For the 2024 budget year, NOK 589 259 000 will be apportioned on the different categories of supervised entities. Fees paid for vetting prospectuses and processing applications for licences to operate as debt collection agencies, electronic money institutions, account information service providers and payment institutions are collected over the course of the year. Fees paid are deducted from the levy charged to the relevant categories of supervised entities.

Principles for apportionment

The overall levy apportioned in 2024 is based on the extent of supervision carried out at each of the respective categories of supervised entities. The extent of supervision is calculated based on the resources registered and on Finanstilsynet's accounts for 2023.

As a general rule, supervised entities in each category pay an amount proportionate to the size of the entity's business measured by total assets, premium income, income from licensable activities etc. (termed 'calculation base'). Some supervised entities, such as external accountants and lawyers holding an estate agency licence etc., pay an identical amount per entity.

The date for determining the calculation base is 31 December of the year prior to the year of supervision. 2023 is the year of supervision on which the apportionment of the levy is based. This means that the calculation base as at 31 December 2022 is used for this apportionment.

Branches of financial institutions, investment firms, AIFMs and fund management companies from other EEA states fall within the same category as corresponding Norwegian entities, but the calculation base for their levy is reduced since they are also under home country supervision. For financial institutions (banks, finance companies and mortgage companies), the calculation base is 40 per cent of total assets, and for insurers the calculation base is 40 per cent of premium income. For investment firms, AIFMs and fund management companies, the calculation base is 60 per cent of the income generated by the licensable activities and ancillary services. For branches of banks assessed as significant, the calculation base is 60 per cent of total assets as from 2024.

According to the Supervisory Levy Regulations, Finanstilsynet may determine annual minimum and maximum amounts that can be levied on individual entities. Minimum amounts have been set for all categories of supervised entities. Furthermore, maximum amounts have been set for the following categories: banks, investment firms, payment institutions, electronic money institutions and account information service providers, financial foundations, mutual fund management companies, mortgage companies, life insurers, non-life insurers and mutual marine insurers. Entities to which neither the maximum nor the minimum amount applies, termed '*intermediate category*', are charged a percentage of the reported calculation base. A complete overview is provided in the attached table.

The attached table provides an overview of the rationale behind the levies payable in 2024. The table shows the total amount to be levied, the apportionment among the various categories of supervised entities and the basis for calculating the levy payable by the individual entity.

Payment of the supervisory levy

The supervisory levy to be paid by your entity in 2024 is set out in the attached invoice. Entities that conduct activities within two or more categories of supervised entities pay a supervisory levy for each type of activity, and a separate demand for payment is sent to each entity. If the calculation base is incorrect, this must be notified in writing to Finanstilsynet at the earliest opportunity, and no later than by the deadline for payment.

Further information

Any query relating to invoice payment should be directed to the Norwegian National Collection Agency (Statens innkrevingsentral) at sifirmapost@skatteetaten.no. Any other query should be directed to Finanstilsynet at okonomi@finansstilsynet.no.

Issuers listed on Oslo Børs, state authorised accountants and companies engaged in cross-border activities, etc. will receive separate letters about the amounts payable in 2024. Further information can be found in the report ‘*Supervisory levy in 2024*’ on Finanstilsynet’s website.

For Finanstilsynet

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This document has been electronically approved and does not require handwritten signatures