



# Base interest rate (BIR) and maximum permissible interest rate (MPIR) for residential aged care

## In this document

[Calculating accommodation payments and contributions](#)

[Calculating interest on refunds of accommodation lump sum balances](#)

[Calculating late payments and contributions](#)

[BIR and MPIR table of current and previous rates](#)

[How the rates are determined](#)

## Calculating accommodation payments and contributions

Aged care legislation requires you to use the **MPIR** to calculate:

- [daily accommodation payments \(DAP\)](#)
- maximum [refundable accommodation contributions \(RAC\)](#)
- the reduced [daily accommodation contributions \(DAC\)](#) paid by residents who have already paid a RAC

For details, see Section 20, Section 31 and Section 32 of the [Fees and Payment Principles 2014 \(No. 2\)](#).

To work out **accommodation payments**, use the MPIR that was current on the day the resident agreed to a room price.

To work out **accommodation contributions**, use the MPIR that was current on the day the resident entered care in your service.

## Calculating interest on refunds of accommodation lump sum balances

Use the BIR and MPIR to calculate interest payable on any lump sum amounts held by your service when a resident permanently leaves your care:

- the **BIR** is payable from the date after the resident dies or leaves your care up to the end of the legislated timeframe for repayment. Use the BIR current on the first day of the refund period, as defined in [Section 4](#) of the Fees and Payment Principles 2014 (No. 2).
- the **MPIR** is payable after the legislated timeframe ends. Use the MPIR current on the day after the end of the legislated timeframe for repayment.

The refund period and the legislated timeframe for repayment vary depending on the conditions under which the resident departed care, as set out in [Section 52P-1](#) of the *Aged Care Act 1997*.

For details on how to work out refund interest, see [Refunding lump sums](#) on the Department of Health website. Full details are in [Part 7](#) of the Fees and Payments Principles 2014 (No. 2).

## Calculating late payments and contributions

If you charge interest for [late DAPs or DACs](#), you cannot use an interest rate above the MPIR.

### BIR and MPIR table of current and previous rates

Time period	BIR (%)	MPIR (%)
1/07/2022 to 30/09/2022	2.25	5.00
1/04/2022 to 30/06/2022	2.25	4.07
1/01/2022 to 31/03/2022	2.25	4.04
1/10/2021 to 31/12/2021	2.25	4.01
1/07/2021 to 30/09/2021	2.25	4.04
1/04/2021 to 30/06/2021	2.25	4.01
1/01/2021 to 31/03/2021	2.25	4.02
1/10/2020 to 31/12/2020	2.25	4.10
1/07/2020 to 30/09/2020	2.25	4.10
1/06/2020 to 30/06/2020	2.25	4.89
1/04/2020 to 31/05/2020	3.00	4.89
1/01/2020 to 31/03/2020	3.00	4.91
1/10/2019 to 31/12/2019	3.00	4.98
1/08/2019 to 30/09/2019	3.00	5.54
1/07/2019 to 31/07/2019	3.75	5.54
1/04/2019 to 30/06/2019	3.75	5.96
1/01/2019 to 31/03/2019	3.75	5.94
1/10/2018 to 31/12/2018	3.75	5.96
1/07/2018 to 30/09/2018	3.75	5.96
1/04/2018 to 30/06/2018	3.75	5.77
1/01/2018 to 31/03/2018	3.75	5.72
1/10/2017 to 31/12/2017	3.75	5.70
1/07/2017 to 30/09/2017	3.75	5.73
1/04/2017 to 30/06/2017	3.75	5.78
1/01/2017 to 31/03/2017	3.75	5.76
1/10/2016 to 31/12/2016	3.75	5.76
1/07/2016 to 30/09/2016	3.75	6.01
1/04/2016 to 30/06/2016	3.75	6.28
1/01/2016 to 31/03/2016	3.75	6.22
1/10/2015 to 31/12/2015	3.75	6.14
1/07/2015 to 30/09/2015	3.75	6.15
1/04/2015 to 30/06/2015	3.75	6.36
1/01/2015 to 31/03/2015	4.00	6.75
1/10/2014 to 31/12/2014	4.00	6.63

Time period	BIR (%)	MPIR (%)
1/07/2014 to 30/09/2014	4.00	6.69
1/04/2014 to 30/06/2014	4.00	6.63
1/01/2014 to 31/03/2014	4.00	6.59
1/12/2013 to 31/12/2013	4.00	6.60
1/10/2013 to 30/11/2013	4.50	6.60
1/07/2013 to 30/09/2013	4.50	6.82
1/04/2013 to 30/06/2013	4.50	6.95
1/01/2013 to 31/03/2013	5.00	7.24
1/10/2012 to 31/12/2012	5.00	7.62
1/07/2012 to 30/09/2012	5.00	7.66
1/04/2012 to 30/06/2012	5.00	8.37
1/01/2012 to 31/03/2012	5.00	8.62
1/10/2011 to 31/12/2011	5.00	8.86
1/07/2011 to 30/09/2011	5.00	9.00
1/04/2011 to 30/06/2011	5.00	8.92
1/01/2011 to 31/03/2011	5.00	9.02
1/10/2010 to 31/12/2010	5.00	8.74
1/07/2010 to 30/09/2010	5.00	8.80
1/04/2010 to 30/06/2010	5.00	8.16
1/01/2010 to 31/03/2010	4.00	7.95
1/10/2009 to 31/12/2009	4.00	7.30
1/07/2009 to 30/09/2009	4.00	7.13
1/04/2009 to 30/06/2009	4.00	7.16
1/01/2009 to 31/03/2009	5.00	8.76
17/11/2008 to 1/12/2008	5.00	11.31
1/10/2008 to 16/11/2008	6.00	11.31
1/07/2008 to 30/09/2008	6.00	11.75
1/04/2008 to 30/06/2008	6.00	11.69
1/01/2008 to 31/03/2008	5.50	11.15
1/10/2007 to 31/12/2007	5.50	10.75
1/07/2007 to 30/09/2007	5.50	10.37
1/04/2007 to 30/06/2007	5.50	10.37
1/01/2007 to 31/03/2007	5.00	10.37
1/10/2006 to 31/12/2006	5.00	10.19
1/07/2006 to 30/09/2006	5.00	9.87

## How the rates are determined

For how the BIR and MPIR are determined, see [Section 4](#) and [Section 6](#) of the Fees and Payments Principles 2014 (No. 2).