



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

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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 with their provider.

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

Calculating interest on refunds of accommodation lump sum balances

The legislation also requires you to use the BIR and MPIR to calculate interest payable on any accommodation lump sum amounts held by your service when a resident departs care:

- the **BIR** is payable from the date after the resident departs care up to the end of the legislated timeframe for repayment. Use the BIR current on the day after the resident stops receiving care.
- 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 legislated timeframe for repayment varies 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 [Part 7 of the Fees and Payments Principles 2014 \(No. 2\)](#).

Calculating late fees and charges

If you charge interest for [late fees and charges](#), you cannot use an interest rate above the MPIR.

BIR and MPIR table of current and previous rates

Time period	BIR (%)	MPIR (%)
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
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

Time period	BIR (%)	MPIR (%)
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 is determined, see [Section 4](#) and [Section 6](#) of the Fees and Payments Principles 2014 (No. 2).