Australian Government
Civil Aviation Safety Authority

SUMMARY OF PROPOSED CHANGE

Proposed indexation of the commercial drone registration levy

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1 Introduction

The Australian Government has decided to introduce annual indexation of the existing commercial drone registration levy. The 2026-27 Budget included this measure.

CASA is consulting on draft amendments to implement that decision. The amendments cover the *Civil Aviation (Unmanned Aircraft Levy) Regulations 2021* and the *Civil Aviation Safety Regulations 1998*.

The government introduced the levy in 2021. It supports CASA's administration of the drone registration scheme and regulatory oversight of the sector. The levy applies to drones weighing more than 500 grams that operators use for commercial purposes.

The proposed amendments would link annual levy adjustments to the *All-Groups Consumer Price Index* (CPI), starting on 1 July 2027. They would not change who must pay the levy, introduce new levies or charges, or alter the registration framework.

This consultation seeks feedback on the proposed implementation arrangements.

2 Reference material

2.1 Acronyms

The acronyms and abbreviations used in this summary of proposed change are listed in the table below.

Table 1: Acronyms

Acronym	Description
ABS	Australian Bureau of Statistics
CASA	Civil Aviation Safety Authority
CPI	Consumer Price Index
RPA	remotely piloted aircraft

2.2 Definitions

Terms that have specific meaning within this summary of proposed change are defined in the table below. Where definitions from the civil aviation legislation have been reproduced for ease of reference, these are identified by 'grey shading'. Should there be a discrepancy between a definition given in this summary of proposed change and the civil aviation legislation, the definition in the legislation prevails.

Table 2: Definitions

Term	Definition
drone	remotely piloted aircraft, or RPA
drone registration levy	unmanned aircraft levy
commercial	Any drone or RPA used for work or business purposes

2.3 References

Legislation

Legislation is available on the Federal Register of Legislation website https://www.legislation.gov.au/

Table 3: Legislation references

Document	Title
	Civil Aviation Act 1988
	Civil Aviation Safety Regulations 1998
	Civil Aviation (Unmanned Aircraft Levy) Act 2020
	Civil Aviation (Unmanned Aircraft Levy) Regulations 2021

3 Purpose and scope of the proposed amendments

The proposed amendments would establish a transparent and consistent method for adjusting the drone registration levy in line with the Consumer Price Index (CPI).

The proposed amendments would:

- apply annual indexation to the existing levy on 1 July each year, starting on 1 July 2027
- calculate the indexed amount using the March quarter All-Groups Consumer Price Index data from the Australian Bureau of Statistics (ABS)
- round the indexed levy amount down to the nearest cent
- allow the levy amount to increase only in periods of inflation.

The proposal would not change who must pay the levy or introduce new fees, charges or levies.

3.1 Key elements of the proposal

Annual indexation date

Annual adjustments to the drone registration levy would take effect on 1 July each year.

The first adjustment would take effect on 1 July 2027.

This approach would align with other Commonwealth levies, fees and charges which are subject to annual indexation.

Proposed index

CPI is commonly used across comparable Commonwealth levy, fee and charging frameworks which include annual indexation.

The proposed formula would use the March quarter All-Groups CPI number, covering the weighted average of the 8 capital cities.

The ABS publishes this index independently and makes it publicly available. It provides a consistent measure for calculating annual adjustments.

You can access the data through the Australian Bureau of Statistics' Consumer Price Index publication.

Rounding of adjusted levy amount

The proposed calculation would round the indexed drone registration levy amount down to the nearest cent.

This approach would ensure rounding does not increase the amount operators pay.

Other comparable Commonwealth levy, fee and charging frameworks which include annual indexation tend to round up, either to the nearest dollar, 50 cents, or cent.

Increase only in periods of inflation

The levy amount would only increase in periods of inflation. It would not increase during periods of deflation, when prices fall.

The proposed approach would link adjustments to CPI movements rather than impose a fixed annual increase.

Levy amount due at registration date

The applicable levy rate would depend on the registration date and subsequent anniversary dates, rather than the payment date.

You can renew your drone registration up to 30 days before or after its expiry date. Renewing early or late would not change your registration anniversary date or the applicable levy rate.

If you do not renew within this period, you will need to register your drone again.

The following examples show how this would work when the levy changes on 1 July.

Example 1 – Payment before anniversary date

Amy's drone registration expires 10 July 2028. She receives a reminder from CASA and renews on 25 June 2028.

The levy increases from $41 to $42 on 1 July 2028.

Although Amy pays before 1 July, she pays $42 because her new registration period starts on 10 July 2028.

Her registration will expire on 10 July 2029, keeping her original anniversary date.

Example 2 – Payment after anniversary date

Bob's drone registration expires on 30 June 2028. He receives a reminder from CASA but renews on 15 July 2028.

The levy increases from $41 to $42 on 1 July 2028.

Although Bob pays after the increase, he pays $41 because his renewal anniversary date is 30 June 2028.

His registration will expire on 30 June 2029, keeping his original anniversary date.

Example 3 – Registration after the renewal period

Chris manages a fleet of drones. Their registration for one drone expires on 30 June 2028. They stop using that drone and continues operating other registered drones in their fleet.

On 15 August 2028, Chris decides to use the drone again.

The levy increases from $41 to $42 on 1 July 2028.

Because more than 30 days have passed since the registration expired, Chris must apply for a new registration rather than renew the previous one.

Chris pays $42 because the new levy rate applies when they register on 15 August 2028.

Their new registration will expire on 15 August 2029, establishing a new anniversary date.

4 Previous consultations

Previous consultations relevant to the drone registration scheme and charging arrangements include:

- Drone discussion paper – Review of RPAS operations (DP 1708OS)
- Proposed new remotely piloted aircraft registration and RPAS operator accreditation scheme (PP 1816US)
- Proposed charges for drone, or remotely piloted aircraft, regulatory services
- Proposed policy amendments to Part 101 MOS registration, accreditation and transitional provisions (CD 2014US)
- Proposed minor amendments to the RPA and model aircraft registration scheme (CD 2113US).

5 Impact on industry

The proposal would introduce annual adjustments to the existing drone registration levy in line with CPI.

The amount of each adjustment would depend on CPI movements over the reference periods specified in the proposed amendments. The proposed formula would determine the adjusted levy amount, rounded down to the nearest cent.

Example 4 – How CPI indexation could affect operators

The ABS reported an annual CPI increase of 4.6% in March 2026.

If we applied this historical increase to the current $40 levy, the amount would increase to $41.84.

For an operator registering:

- one drone, the annual levy would increase by $1.84, from $40 to $41.84
- 5 drones, the total annual levy would increase by $9.20, from $200 to $209.20
- 10 drones, the total annual levy would increase by $18.40, from $400 to $418.40.

This example uses historical CPI data to illustrate how indexation could affect operators. It does not represent the levy amount that will apply from 1 July 2027.

We recognise that levy costs add up, particularly for small businesses and operators with multiple drones subject to the levy.

CASA would publish the adjusted levy amount each year, explain how it was calculated and confirm when it takes effect.

5.1 Safety risk analysis

The commercial drone registration levy supports CASA's administration of the drone registration scheme and regulatory oversight of the sector. These activities play an important role in supporting aviation safety.

The proposed amendments would not adversely impact aviation safety.

5.2 Impact analysis

CASA will consult the Office of Impact Analysis (OIA) to determine whether the proposal requires an impact analysis.

6 Submitting your view and what next

We would like to hear your views on the amendments we have presented. Please review the proposal and provide your feedback.

Your feedback will help inform implementation within the scope of the government's decision. We will consider all comments received as part of this consultation process and explain how the consultation findings inform the final arrangements required to implement annual indexation from 1 July 2027.

Comments on this consultation should be submitted through the online response form by 17 December 2026.