

Vegetables levy information

Why is there a levy/export charge on vegetables?

- The Australian Government introduces levies and export charges at the request of industry. These levies variously fund research and development, marketing, residue testing, plant and animal biosecurity programs and emergency responses for industry.
- The vegetable levy and export charge levy funds Horticulture Innovation Australia Limited (HIAL) vegetable research and development (R&D) and Plant Health Australia (PHA) programs. To find out more, visit [Horticulture Innovation Australia Limited](#) and [Plant Health Australia](#).

What is the levy/export charge payable on?

- Levy is payable on vegetables produced in Australia where the producer either sells the product or uses it in the production of other goods.
- Export charge is payable on vegetables produced in and exported from Australia. No export charge is payable if domestic levy has already been paid on the product to be exported.
- Note: Vegetable levy and export charge is NOT payable on: asparagus, garlic, hard onions**, herbs (other than fresh culinary shallots and parsley), melons, mushrooms**, potatoes**, seed sprouts, sweet potatoes or tomatoes.
- ** Hard onions, mushrooms, potatoes and sweet potatoes are levied separately. Please contact your [Department of Agriculture and Water Resources - Levies state office](#) for more information.

Who pays the levy/export charge? Who submits returns?

- The producer (the person who owns the vegetables immediately after harvest) is liable to pay the levy.
- If the producer sells their produce through an intermediary, such as a first purchaser, buying agent, selling agent, merchant or processor, the intermediary must pay levy and submit all return forms on behalf of the producer. The intermediary can recover from the producer the amount of levy paid, by offset or otherwise.
- If the producer sells vegetables by retail sale—for example, direct to the consumer at roadside stalls or through shed or farm gate sales—they must pay levy and submit all return forms directly to the Department of Agriculture and Water Resources - Levies.
- The producer—that is, the person who owns the product at the time of export from Australia—is liable to pay the export charge and submit return forms to the Department of Agriculture and Water Resources - Levies.
- If the producer exports the product through an exporting agent, the agent must pay the charge and submit all return forms to the Department of Agriculture and Water Resources - Levies on behalf of the producer. The agent can recover from the producer the amount of charge paid from the producer (the owner of the product at the time of export).
- Download a [return form](#) or contact your [Department of Agriculture and Water Resources - Levies state office](#).

What is the levy/export charge rate on vegetables?

- The levy and export charge rate is 0.5%—that is, half of 1%—of the value of the vegetables.
- Domestic levy: 0.5% of the gross sale value at first point of sale
- Export charge: 0.5% of the 'free on board' (FOB) value.
- Levy rates are current as at 1 October 2013.
- Australian Government levies exclude GST.

Are there any exemptions from this levy/export charge?

- No levy and export charge is payable on asparagus, garlic, hard onions**, herbs (other than fresh culinary shallots and parsley), melons, mushrooms**, potatoes**, seed sprouts, sweet potatoes or tomatoes.
- ** Hard onions, mushrooms, potatoes and sweet potatoes are levied separately. Please contact your Department of Agriculture and Water Resources - Levies state office for more information.

When is the payment due?

- **Quarterly returns**
 - The return together with payment must be submitted to the Department of Agriculture - Levies within 28 days of the end of the quarters of March, June, September and December. For example, the return and payment for the quarter ending 30 June—that is, for the months of April, May and June—are due on or before 28 July.
- **Annual returns**
 - Producers who sell vegetables by retail sale must submit annual rather than quarterly returns.
 - The return together with payment must be submitted to the Department of Agriculture and Water Resources - Levies on or before 28 August in the next levy year*. For example, the return and payment for the 2012-13 levy year* are due on or before 28 August 2013.
 - A first purchaser, buying agent, selling agent or exporter may apply through the Department of Agriculture and Water Resources - Levies for an exemption from the requirement to lodge quarterly returns for a levy year* if they have reasonable grounds to believe that the levy/export charge payable will be less than \$500. If the Department of Agriculture and Water Resources - Levies grants an exemption, they must lodge returns annually.
 - Please contact your [Department of Agriculture and Water Resources - Levies state office](#) for an application for exemption form or for more information on annual returns.

General information and definitions

- The levy/export charge rates are as a percentage of the value of the vegetables.
- A 'retail sale' is a sale by the producer of the vegetables direct to the consumer—that is, at a roadside stall or by shed or farm gate sale—and not to a first purchaser or through an agent.
- *A levy year for vegetables is a financial year—that is, 1 July to 30 June.

What legislation covers this levy/export charge?

- A legislative framework of imposition, collection and disbursement legislation authorises and supports Australia's primary industries levies system. These are the relevant Acts:
- *Primary Industries (Excise) Levies Act 1999*
- *Primary Industries (Customs) Charges Act 1999*
- *Primary Industries Levies and Charges Collection Act 1991*
- Please note that, under section 27 of the *Primary Industries Levies and Charges Collection Act 1991*, an authorised Department of Agriculture and Water Resources officer can release the names and addresses of levy payers to industry bodies and levy recipient organisations.

Reference

- <http://www.agriculture.gov.au/ag-farm-food/levies/rates/vegetables>