



Australian Government
**Department of Agriculture,
Fisheries and Forestry**

Levies Revenue Service

Canberra	1800 020 619
Sydney	1800 625 103
Brisbane	1800 647 801
Melbourne	1800 683 839
Adelaide (SA, NT & TAS)	1800 814 961
Perth	1800 895 506

www.daff.gov.au/levies

INFORMATION ON NURSERY PRODUCTS LEVY

WHY IS THERE A LEVY ON NURSERY PRODUCTS?

A levy is payable on Nursery Products to provide funding for promotion, research and development programs carried out via Horticulture Australia Limited (HAL). The Levies Revenue Service (LRS) receives the funds and forwards them to HAL, in addition to distributing the Australian Government's matching research and development (R&D) contributions. Levies and export charges are introduced and administered by the Australian Government at the request of Industry.

WHAT IS THE LEVY PAYABLE ON?

Levy is payable on potted plants produced in Australia that are sold by the producer or used by the producer in the production of other goods. However, for ease of collection, the levy is paid on the purchase by the producer of pots (prescribed goods), which are used in the production or preparation of a nursery product for sale or for use in the production of other goods e.g. repotting, propagation for later sale etc.

WHO PAYS THE LEVY AND WHO SUBMITS RETURNS?

The producer of the potted plants is liable to pay the levy. However, for ease of administration, the levy is collected from the producer by the seller of the nursery pots i.e. pot manufacturers, distributors and other persons who sell containers to producers of potted plants. These people must forward the levy to LRS along with return forms which are available from all LRS offices or by accessing our website at www.daff.gov.au/levies.

Where producers purchase nursery pots from overseas and use those imported nursery pots to produce potted plants, that person is liable to pay the levy, and must send it to the LRS along with return forms.

WHAT IS THE RATE OF LEVY ON NURSERY PRODUCTS?

The rate of levy for Nursery Products is calculated as follows:

Nursery Products	5% of sale price [#] of the container
Nursery Products	5% of the landed cost* price of the container

#Note: Sale price of the container is taken not to include GST. The levy is a separate calculation, exclusive of GST consideration.

*For a definition see **General Information and Definitions** overleaf

Note: Levy Rates are current as at 1 January 2006.

ARE THERE ANY EXEMPTIONS ASSOCIATED WITH THIS LEVY?

Purchasers of containers by State Governments are exempt from the levy. However, purchasers of containers by a company providing services to a State Government are still leviable.

It should be noted that levy applies to municipal councils that buy pots for propagation of plants for resale.

WHEN IS LEVY DUE FOR PAYMENT?

Quarterly Returns:

Quarterly returns with payment must be submitted to LRS on or before the 21st day after the end of the quarters of March, June, September and December. For example the return and payment for the quarter ending 30 June (i.e., for the months of April, May and June) is due on or before the 21 July.

GENERAL INFORMATION AND DEFINITIONS

The levy rate is calculated on the basis of a percentage of the sale price of the container.

A levy year for Nursery Products is the same as a financial year (i.e. 1st July to 30th June)

Container means any container that is designed:

- (a) for use in the production or preparation of a nursery product for sale or for use in the production of other goods; and
- (b) to be the immediate container of the nursery product.

Landed cost means the total amount paid by the producer to take possession of the containers, including the following:

- (a) the price of the containers;
 - (b) taxes or charges relating to the containers paid in a foreign country;
 - (c) the cost of transporting the containers to Australia;
 - (d) the cost of insurance associated with the transportation of the containers;
 - (e) customs agent's fees incurred for the transportation or importation of the containers;
 - (f) other costs incurred by the producer in taking possession of the containers in Australia;
- but does not include the cost of delivering the containers to the producer in Australia or any other costs incurred after the producer takes possession of the containers

Nursery products include: trees, shrubs, plants, seeds, bulbs, corms, tubers, propagating material and plant tissue cultures, grown for ornamental purposes or for producing fruits, vegetables, nuts or cut flowers and foliage. Seedlings grown for re-forestation purposes (State Government or otherwise), are not classified as nursery products, and therefore the containers used for their propagation are not leviable.

WHAT RECORDS MUST BE KEPT, WHO SHOULD KEEP THEM & FOR HOW LONG?

People who lodge returns to LRS and people who pay levy/charge to intermediaries are required to keep records supporting the information supplied in returns or information relating to payments made to intermediaries. These records are to be kept for a period of five (5) years and are to be made available to LRS officers.

For further information or clarification on what records must be kept, who should keep them and for how long please contact your nearest LRS office.

ARE THERE ANY PENALTIES FOR LATE PAYMENTS OR OTHER OFFENCES?

Where levy/export charge is paid late, penalty will be payable at the rate of 2% per month compounding on the sum of the unpaid amounts, including penalties already accrued, until the outstanding levy/export charge has been paid in full.

Penalties are also imposed for other breaches of the legislation.

For more information please contact your nearest LRS office.

Caution: Giving false or misleading information is a serious offence.

DOES GST APPLY TO AUSTRALIAN GOVERNMENT LEVIES/CHARGES?

No. Australian Government levies and charges administered by the LRS are exclusive of the GST (Goods and Services Tax). The Levy is a separate calculation, exclusive of GST consideration.

For further information on tax reform, contact the Australian Taxation Office on 132 478 or visit their website www.ato.gov.au.

WHERE DO I LODGE MY RETURN?

Send your completed returns and payments to:

The Secretary
Levies Revenue Service
Department of Agriculture, Fisheries and Forestry
Locked Bag 4488
KINGSTON ACT 2604

If you would like to receive information and reminder notices electronically in the future from LRS, please ensure that you have included your business email address on your return form.

Where payment of levy is made by EFT, please fax your return to (02) 6272 5695. If you would like to make a payment by EFT, please call (free call) 1800 020 619 for more information. (Please note that calls to this number **may** incur charges if made from mobile or pay phones.)

WHAT IS THE LEVIES REVENUE SERVICE?

The Levies Revenue Service (LRS) is an organisation within the Australian Government Department of Agriculture, Fisheries and Forestry. LRS is responsible for both the collection and distribution of levies to the relevant Research and Development Corporations, Marketing Agencies, Animal Health Australia, Plant Health Australia and the National Residue Survey. LRS is also responsible for the distribution of the Australian Government's matching research and development contributions.

LRS collects over 60 different levies and charges from a client base of over 10,000 levy payers.

For more information about LRS, please visit our website at www.daff.gov.au/levies.

WHAT IS HORTICULTURE AUSTRALIA LIMITED?

Horticulture Australia Limited (HAL) is an organisation whose aim is to develop Australian horticulture by providing comprehensive and professional R&D and marketing services to over 30 different organisations from the fruit, vegetable and nursery industries. HAL was formed in February 2001 from the former Horticultural Research & Development Corporation (HRDC) and the Australian Horticultural Corporation (AHC). HAL is an industry owned company that the Australian Government has contracted to deliver marketing and R&D services for the horticulture industry.

For more information on HAL you can visit their website: www.horticulture.com.au.

WHAT LEGISLATION IS ASSOCIATED WITH THIS LEVY?

The levy is imposed and collected under the following legislation:

Primary Industries (Excise) Levies Act 1999
Primary Industries Levies and Charges Collection Act 1991
 and associated legislation















Please be advised that under section 27 of the *Primary Industries Levies and Charges Collection Act 1991* (PILCC Act 1991) an authorised person is able to release the names and addresses of levy payers to industry bodies and recipient organisations.

Copies of the legislation may be obtained via the Internet at www.comlaw.gov.au or purchased from Canprint Information Services by phoning 1300 656 863.

This information sheet is a guide only and does not substitute for the relevant legislation.

WHO CAN I CONTACT ABOUT LEVIES?

For more information please contact the LRS office in your State. For those in South Australia, the Northern Territory or Tasmania please contact the Adelaide office.

Canberra – Central Office  Telephone 1800 020 619  Fax 02 6272 5695	Melbourne  Telephone 1800 683 839  Fax 03 9322 5500
Adelaide (SA, NT & TAS)  Telephone 1800 814 961  Fax 08 8201 6099	Perth  Telephone 1800 895 506  Fax 08 9334 1677
Brisbane  Telephone 1800 647 801  Fax 07 3831 4324	Sydney  Telephone 1800 625 103  Fax 02 9325 6677
 E-mail us at: Levies.Management@daff.gov.au	 Visit our Web site: www.daff.gov.au/levies