EXPLANATORY STATEMENT

Issued by Authority of the Minister for Agriculture, Fisheries and Forestry

Primary Industries (Excise) Levies Act 2024

Primary Industries (Excise) Levies Regulations 2024

Legislative Authority

The *Primary Industries (Excise) Levies Act 2024* (the Act) authorises the imposition of agricultural levies that are duties of excise. Section 27 of the Act provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out and giving effect to the Act.

Section 4 of the *Acts Interpretation Act 1901* (the Acts Interpretation Act) provides authority for legislative instruments, including regulations, to be made after enactment but before the commencement of the relevant enabling legislation. Subsection 4(2) of the Acts Interpretation Act enabled the Governor-General to make the *Primary Industries (Excise) Levies Regulations 2024* (the Regulations) before commencement of the Act as if the Act had already commenced. The Act commences on 1 January 2025.

Subsections 7(1), 10(1) and 13(1) of the Act respectively enable regulations to impose a levy in the circumstances prescribed in relation to:

- one or more specified animal, plant, fungus or algal products that are produce of a primary industry;
- one or more specified goods that are of a kind consumed by, or used in the maintenance or treatment of, animals, plants, fungi or algae; and
- one or more specified goods that are for use in the production or preparation of nursery products: for sale, or for use in the commercial production of other goods.

The levies imposed are a duty of excise within the meaning of section 55 of the Constitution. Parts 2-4 enable the regulations to set out exemptions from a levy imposed for the purpose of each Part, and Part 5 and 6 respectively enable the regulations to set out the rate of a levy and the levy payer.

The Minister was satisfied under subsections 7(3), 10(2) and 13(2) of the Act before the Governor-General made the regulations for the purposes of subsections 7(1), 10(1) and 13(1) respectively, that the imposition of each levy will result in one or more of the types of expenditure on matters or activities specified in those provisions.

Extensive industry consultation occurred during the development of the modernised agricultural levies and charges legislative framework (modernised legislative framework) as outlined below. Subitem 1(1) of Schedule 3 to the *Primary Industries (Consequential Amendments and Transitional Provisions) Act 2024* provides consultation (that otherwise applies under subsection 27(2) of the Act) is not necessary for the first new regulations made under the Act, if a levy was imposed in relation to that product or those goods under the existing law.

Subitem 1(1) applies to all levies in the Regulations other than the following levies: strawberry runner (Division 62 of Schedule 2), nursery container (Division 73 of Schedule 2), Agaricus mushroom (Division 36 of Schedule 2) and egg (Subdivision 5-B of Division 5 of Schedule 1). Those levies have been reframed to be imposed on an input essential to the production of the ultimate product or good, rather than on the ultimate product or good itself, with the effective rate of levy set the same. For these four levies the Minister was satisfied under paragraph 27(2)(c) of the Act that appropriate consultation has been undertaken with bodies and persons involved in the industry in relation to the levy and any recommendations made by those bodies or persons about the rate have been considered.

Purpose

The purpose of the Regulations is to provide, under a modernised legislative framework, for the consolidated imposition of levies in relation to each of the following:

- animal products, plant products, fungus products, or algal products that are produce of a primary industry; and
- goods that are of a kind consumed by, or used in the maintenance or treatment of, animals, plants, fungi or algae; and
- goods for use in the production or preparation of nursery products that are for sale or for use in the commercial production of other goods.

The Regulations also set out any exemptions from the imposition of a levy, the rate of levy, and the person who is liable to pay the levy (the levy payer). For some products, the Regulations provide for the imposition of multiple levies.

Background

The agricultural levy and charge system, known as the agricultural levy system, is a long-standing partnership between industry and the Australian Government to facilitate industry investment in strategic activities. Levies and charges are generally payable by farmers, producers, processors and exporters.

Amounts equal to the collected levy and charge are generally disbursed by the Commonwealth to recipient bodies and other entities to support activities the levies were imposed to fund. This includes research and development, marketing, biosecurity activities, biosecurity responses, and National Residue Survey testing. Without this arrangement most individual producers could not invest effectively in these activities. The imposition of levy in the Regulations will result in expenditure on one or more matters or activities required by subsections 7(3), 10(2) and 13(2) of the Act, including the activities mentioned above.

A 2018 review in relation to the sunsetting of legislative instruments making up the pre-existing legislative framework found the legislative framework should be modernised to be more effective in meeting industries' needs in the future. The Regulations will form part of the modernised framework and better support industry with levies consolidated in one place.

By consolidating levy settings in the Regulations, rather than splitting levy settings between the Act and the regulations, as is the case in the pre-existing framework, the Regulations increase accessibility for industry and simplify understanding of levy settings. It is necessary

and appropriate for certain details of levy rates to be included in the Regulations rather than the Act.

Impact and effect

The Regulations form part of a modernised legislative framework that streamlines the legislation to better support industries' needs in the future.

The Regulations are complementary to the *Primary Industries (Customs) Charges Regulations 2024* (the Charges Regulations) made under the *Primary Industries (Customs) Charges Act 2024* (Charges Act), rules proposed to be made under the *Primary Industries Levies and Charges Collection Act 2024* (Collection Act) and rules proposed to be made under the *Primary Industries Levies and Charges Disbursement Act 2024* (Disbursement Act).

The Regulations include references to matters intended to be provided in Minister's rules under the Disbursement Act and Secretary's rules under the Collection Act.

Consultation

The Regulations are informed by extensive consultation by the Department of Agriculture, Fisheries and Forestry (the department) with industry groups, levy payers, collection agents, bodies that receive levy and charge funding, and the public.

- 2017-18: The department reviewed the agricultural levies and charges legislative framework and undertook targeted consultation with approximately 70 stakeholder groups.
- 2019-20: The department released the 'Streamlining and modernising agricultural levies legislation – early assessment regulation impact statement' for public consultation.
- 2021-22: The department conducted further consultation with industry representatives and bodies that receive levy and charge funding (industry-owned and statutory research and development corporations, Animal Health Australia and Plant Health Australia). This included targeted consultation with primary industry representative bodies about industry-specific levies and charges. The department spoke to approximately 70 industry representative bodies in relation to the intended approach to transferring their existing excise levies and customs charges into draft legislation. The department also wrote to around 7,500 collection agents to provide information about the proposed approach to the new legislative framework.
- 2023: Public consultation occurred on the draft Bills and a sample of the delegated legislation.
- 2024: Public consultation occurred on exposure drafts of these Regulations, the Charges Regulations, rules made under the Collection Act and rules made under the Disbursement Act.

Consultation on the modernised legislative framework also occurred with relevant Commonwealth agencies during the development of the legislation, including the Attorney-General's Department, the Australian Bureau of Statistics, the Australian Public Service Commission, the Department of Finance, the Department of the Prime Minister and Cabinet,

the Federal Court of Australia, the Federal Circuit and Family Court of Australia, the Office of the Australian Information Commissioner and the Treasury.

The Office of Impact Analysis was consulted in relation to the Impact Analysis (OBPR22-03525) for modernising the agricultural levies legislation.

Details/Operation

A Readers Guide is set out in Attachment A.

Details of the Regulations are set out in Attachment B.

Other

The Regulations are compatible with the human rights and freedoms recognised or declared under section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*. A full statement of compatibility is set out in Attachment C.

The Regulations will commence on 1 January 2025. The Regulations are a legislative instrument for the purposes of the *Legislation Act 2003*.

ATTACHMENT A

Readers Guide

The text below provides general information about the structure and key concepts in the instrument and the broader modernised legislative framework in which the Regulations operate. This information provides a simplified explanation of the framework and key concepts to assist the reader. For an explanation of a particular provision or concept, see the detailed notes on the clauses that refer to these matters at Attachment B.

Levies that may be imposed and expenditure it results in

These Regulations are made under the *Primary Industries (Excise) Levies Act 2024* (the Act). The Act enables the regulations to impose levies that are duties of excise in relation to each of the following:

- animal products, plant products, fungus products or algal products that are produce of a primary industry; and
- goods that are of a kind consumed by, or used in the maintenance or treatment of, animals, plants, fungi or algae; and
- goods that are for use in the production or preparation of nursery products that are for sale or for use in the commercial production of other goods.

The funds raised by the imposition of levies result in expenditure on certain activities including research and development, marketing, biosecurity activities, biosecurity responses and National Residue Survey testing.

Structure of the Regulations

These Regulations are made up of preliminary provisions and Schedules. The preliminary provisions contain general matters and definitions. The details of each levy are set out in a specific Division or Subdivision within a Part of a Schedule.

There are two Schedules which set out individual levies by group: animals and animal products; and plants and plant products. Each Schedule comprises Parts which each set out, in Divisions, specific sub-groups of animals and animal products and plant and plant products and particular goods that are the subject of a levy.

For each levy, the Regulations generally set out:

- when a levy is imposed;
- any exemptions from the levy;
- the rate and components of the levy;
- the person who is liable to pay the levy (the levy payer); and
- an application provision.

Other legislation in the framework

The Act, in combination with the following Acts, provides the overarching legislative framework for the agricultural levy and charge system:

- *Primary Industries (Customs) Charges Act 2024* (the Charges Act);
- *Primary Industries (Services) Levies Act 2024* (the Services Levies Act);
- *Primary Industries Levies and Charges Collection Act 2024* (the Collection Act); and
- *Primary Industries Levies and Charges Disbursement Act 2024* (the Disbursement Act).

The delegated legislation made under these Acts includes obligations on levy and charge payers, collection agents, bodies that receive levy and charge funding and other persons. This delegated legislation includes, but is not limited to:

- *Primary Industries (Customs) Charges Regulations 2024* (the Charges Regulations) made under the Charges Act;
- rules made under the Collection Act; and
- rules made under the Disbursement Act.

The new legislative framework replaces an existing framework that provides for the imposition and collection of agricultural levies and charges, and for the disbursement of equivalent amounts of levy and charge. The *Primary Industries (Consequential Amendments and Transitional Provisions) Act 2024* supports the transition to the modernised legislative framework by setting out application, savings and transitional arrangements to ensure continuity of arrangements and minimal impacts for levy and charge payers.

Application of levy provisions

The Regulations include an application provision in each Division or Subdivision of a Schedule that specifies a date on or after which a levy is imposed in relation to a product or good. These dates vary across the levies. This is because the imposition and collection of levies and charges operate on different annual bases for products and goods, primarily calendar or financial years.

For each levy imposed by the Regulations, the date the imposition of levy will apply aligns with the start of the relevant annual period for the product or good. Any levy on a product or good imposed under the existing legislative framework will cease to be imposed from that date. This alignment promotes administrative continuity for industry. The levy will be collected in accordance with rules made under the Collection Act.

Levy rates

The rate of a levy is prescribed for each levy and is worked out in accordance with the relevant rate of levy provision. A levy rate may be expressed as a single component, or the sum of components. The name of each component relates to activities or matters for which the imposition of levy will result in expenditure. Rules made under the Disbursement Act will provide for the disbursement of amounts equal to each component of a levy that have been collected to a body or special account for expenditure on the relevant activities or matters.

The levy rate, including components, have generally been set following consultation with the relevant industry sector about what is suitable for its needs.

For some products, the levy rate includes a biosecurity response component that is set to nil. Arrangements between government and industry parties exist under legally binding emergency response deeds to facilitate rapid responses to biosecurity threats. The setting of a nil component allows for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

In limited cases, other types of components are also set to nil. These components are set to nil with the expectation there may be an increase at a later date.

Key concepts used in these Regulations

The following key concepts feature in these Regulations.

Levy payer

The 'levy payer' is the person liable to pay a levy in relation to a product or good and is prescribed in each Division or Subdivision. The 'levy payer' is identified by reference to the person's connection with the product or good and the circumstances in which the particular levy is imposed. The 'levy payer' varies across the levies. For example, the 'levy payer' may be the owner or purchaser of the good or product at a specific point in time, the breeder or grower of a product, or the processor of the product.

Processing

Many levies are imposed on the processing of a plant or animal product. In some cases, the Regulations prescribe an exemption from levy if the product is processed or sold for processing. The term 'process' is defined in section 7 as the performance of an operation in relation to a product. However, some operations on a product will not be a 'process' for the purpose of imposing a levy or a levy exemption in relation to a product. Some operations are excluded from the definition of 'process' for all plant or animal products, and others are excluded for specific products.

For example, fruit conditioning operations, including ripening, have been prescribed as excluded operations for several horticultural products; namely, apples, avocados, bananas, citrus, custard apples, mangoes, melons, nashi, papaya, passionfruit, pears, persimmons, pineapples and stone fruit. In the case of apples and pears, where levy is imposed on apples or pears that are harvested in Australia and are processed by or for the person who owns the apples or pears immediately after they are harvested, levy will not be imposed where fruit conditioning operations are performed in relation to the apples or pears.

Threshold exemption

This is a type of levy exemption that applies by reference to a threshold amount and is intended to limit the circumstances in which a person will be required to pay small amounts of levy or charge. A person may be subject to a threshold exemption if the volume of their leviable production that is sold or processed, or the total amount of levy the person would be liable to pay, if levy was imposed is less than a threshold amount over a specified period (e.g. financial year). For example, if a threshold exemption applied to a levy imposed on the sale of certain products, a person would not have to pay levy on such sales if the amount of the product that they had sold in a specified period was less than the threshold amount.

In addition, in some cases, a threshold exemption will apply if the combined amount of levy imposed under the Regulations and charge imposed under the Charges Regulations, that a person would otherwise be liable to pay in a specified period is less than a prescribed amount. In the case of the macadamia nut levy, levy is not imposed if the sum of macadamia nut levy and macadamia nut charge that a person would otherwise be liable to pay in relation to a calendar year is less than $120.

The threshold is intended to make the levy more efficient and cost effective. After the 'threshold' is exceeded in a year, the person will be liable to pay levy in the leviable circumstances, which will include for the period which would otherwise have been below the threshold.

Retail sale

The term 'retail sale' is defined in section 5 in relation to a sale of honey or plant product except for a sale to a business purchaser and, in relation to some horticultural products, sales to a consumer at a wholesale market. Retail sales are typically of small value and are often sales made directly to a consumer.

The Regulations may exempt a person from paying levy on a product sold by retail sale. Several levies exempt from levy any products sold by retail sale. Other levies are subject to a threshold exemption for retail sales. This means for example, that levy will not be imposed if the amount of product sold by a person by retail sale, or the amount of levy a person would otherwise be liable to pay on such sales, is less than a threshold amount in a specified period.

In the case of the nashi levy, levy is not imposed if the sum of the total quantity of nashi sold by retail sale by the person who owns the nashi immediately after they are harvested, and the total quantity of nashi processed by or for that person, in a calendar year is 9 tonnes or less.

Agents

The terms 'buying agent', 'selling agent', and 'business purchaser' are defined in section 6. These agents are persons who, in the course of their business, may be engaged in the transaction or event that triggers the imposition of a levy. Some levies are imposed on product that is sold to a business purchaser. The term 'business purchaser' is also referred to in the definition of 'retail sale' to identify types of sales that are not a retail sale. The Collection Act authorises rules to be made that would make collection agents liable to pay an amount on behalf of a levy payer that would discharge a levy payer's liability to pay levy.

ATTACHMENT B

Table of contents

Details of the *Primary Industries (Excise) Levies Regulations 2024*

These Regulations are made up of preliminary provisions and Schedules with Parts and Divisions. The preliminary provisions contain general matters and definitions. Each levy is set out in a specific Division within a Part of a Schedule of levies.

The Division numbering in the Regulations aligns where relevant with the numbering used in the *Primary Industries (Customs) Charges Regulations 2024*. The rules to be made under the *Primary Industries Levies and Charges Collection Act 2024* (which would provide for the administration and collection of the levy and charge) will also use consistent numbering from both sets of the Regulations. To enable this alignment in the rules, there are gaps in Division numbering in the Regulations.

Section 1—Name

This section provides that the name of the instrument is the *Primary Industries (Excise) Levies Regulations 2024* (the Regulations).

Section 2—Commencement

This section provides that the Regulations commence on 1 January 2025.

Section 3—Authority

This section provides that the Regulations are made under the *Primary Industries (Excise) Levies Act 2024* (the Act).

Section 4—Simplified outline of this instrument

This section provides a simplified outline of the Regulations explaining that this instrument complements the Act by:
(a) imposing levies in relation to animal products, plant products, fungus products or algal products that are produce of a primary industry; and
(b) imposing levies in relation to goods that are of a kind consumed by, or used in the maintenance or treatment of, animals, plants, fungi or algae; and
(c) imposing levies in relation to goods that are for use in the production or preparation of nursery products.

This section provides that each set of provisions imposing a levy in relation to a product or good also deals:
(a) with any exemptions from the levy;
(b) the rate of the levy; and
(c) the person who is liable to pay the levy (the levy payer).

Some products have multiple levies.

Section 5—Definitions

This section provides definitions of terms used in the Regulations. Definitions that apply across multiple divisions are defined here. Definitions that are relevant only to a specific Division are defined in that Division and are signposted here.

This section directs the reader to the ***buying agent***, ***selling agent***, and ***business purchaser*** definitions in section 6.

The reader is also directed to the definition of ***process*** in relation to an animal product or a plant product in section 7.

Section 6—Agent definitions

This section provides the definitions of ***buying agent***, ***selling agent*** and ***business purchaser*** which are used in the Regulations. These terms are used in the Regulations to limit the scope of some levies imposed on the sale of a product by reference to sales to a business purchaser, and to inform the definition of ***retail sale*** in section 5.

Subsection 6(1) provides that a person is a ***buying agent*** if the person buys products, goods or services on behalf of business purchasers of the products, goods or services, and does so in the course of carrying on a business.

Subsection 6(2) provides that a person is a ***selling agent*** if the person sells products, goods or services on behalf of levy payers for the products, goods or services, and does so in the course of carrying on a business.

Subsection 6(3) provides that a person is a ***business purchaser*** if the person buys products, goods or services from levy payers for the products, goods or services, and does so in the course of carrying on a business.

Section 7—Process a plant product or animal product

This section provides for the definition of ***process*** in relation to a plant product or animal product. The term is defined by reference to the performance of an operation in relation to the animal or plant product with the exception of specific operations.

Subsection 7(1) provides that, ***process***, in relation to a plant product, means the performance of an operation in relation to the plant product, except the following operations: (a) cleaning or washing; (b) brushing; (c) sorting; (d) grading; (e) packing; (f) storage; (g) transport; (h) delivery; (i) in relation to a plant product specified in column 1 of an item in the table (and in addition to paragraphs (a) to (h))—an operation specified in column 2 of that item. The table in subsection (1) specifies further excluded operations in relation to particular plant products.

Subsection 7(2) provides that, ***process***, in relation to an animal product, means the performance of an operation in relation to the animal product, except the following operations: (a) sorting; (b) grading; (c) packing; (d) storage; (e) transport; (f) delivery; (g) in relation to an animal product specified in column 1 of an item in the table (and in addition to paragraphs (a) to (f))—an operation specified in column 2 of that item. The table in subsection (2) specifies further excluded operations in relation to particular animal products.

Section 8—Related bodies corporate

This section provides that for the purposes of the Regulations, the question of whether 2 bodies corporate are related to each other is to be determined in the same way as for the purposes of the *Corporations Act 2001*.

Section 9—Levies

This section provides that for the purposes of Parts 2 to 6 of the Act, the Schedules have effect.

Schedule 1—Animals and animal products

Part 1-1—Bees and Honey

Division 1—Introduction

Clause 1-1—Simplified outline of this Part

This clause provides a simplified outline of Part 1-1. It summarises key features of the queen bee levy and the honey levy, which are imposed under this Part.

Division 2—Bees

This Division imposes a levy (**queen bee levy**) on queen bees bred in Australia, in specific circumstances. Levy was previously imposed on queen bees: see Schedule 27 to the *Primary Industries (Excise) Levies Act 1999* (1999 Excise Levies Act) and Schedule 27 to the *Primary Industries (Excise) Levies Regulations 1999* (1999 Excise Levies Regulations).

Key definitions for the imposition of the queen bee levy:

- ***queen bee*** is defined in subclause 2-1(2) of Schedule 1 to the Regulations.

Clause 2-1—Imposition of queen bee levy

Subclause 2-1(1) imposes levy on queen bees that are bred in Australia and sold by the breeder. The term ***queen bee*** is defined in subclause 2-1(2) as a fertile female bee, by reference to its scientific name and common name.

Clause 2-2—Exemptions from the levy

This clause exempts queen bees from levy in two cases.

- Subclause 2-2(1) exempts from levy queen bees that are sold after being exported from Australia.
- Subclause 2-2(2) exempts from levy queen bees that, in a financial year, are sold by a breeder and the sum of the amount of levy and queen bee export charge under the *Primary Industries (Customs) Charges Regulations 2024* (Charges Regulations) that they would otherwise be liable to pay in that year is less than $50.

- This exemption supports the efficient and cost-effective collection of the levy by not requiring the breeder to pay levy if the breeder would otherwise have a combined levy and charge liability below a threshold set previously following consultation with industry.

Clause 2-3—Rate of the levy

Clause 2-3 prescribes the queen bee levy rate. Item 1 of the table in this clause prescribes the research and development component. The component is set to nil in consultation with industry with the possibility there may be an increase at a later date. The queen bee levy rate is the single component amount.

Clause 2-4—Levy payer

This clause provides that the breeder of the queen bees is liable to pay the queen bee levy.

Clause 2-5—Application provision

Clause 2-5 provides that clause 2-1 applies in relation to queen bees that are sold on or after 1 July 2025, whether the queen bees are bred before, on or after that day.

Division 3—Honey

This Division imposes a levy (**honey levy**) on honey produced in Australia, in specific circumstances. Levy was previously imposed on honey: see Schedules 14 and 27 to the 1999 Excise Levies Act, Schedule 14 to the 1999 Excise Levies Regulations, Schedule 7 to the *National Residue Survey (Excise) Levy Act 1998* (1998 NRS Excise Levy Act) and Part 9 of the *Primary Industries Levies and Charges (National Residue Survey Levies) Regulations 1998* (1998 NRS Regulations).

Key definitions for the imposition of honey levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to honey, it means a person who buys honey from honey levy payers in the course of carrying on a business.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to honey, it means any sale except a sale to a business purchaser, whether through a selling agent, buying agent or both.

Clause 3-1—Imposition of honey levy

Clause 3-1 imposes levy on honey that is produced in Australia by a bee of a species identified by its scientific name and is:

- sold; or
- used in Australia in the production of other goods.

Clause 3-2—Exemptions from the levy

This clause exempts honey from levy in three cases.

- Subclause 3-2(1) exempts from levy particular honey if honey levy has previously been imposed on it. This ensures that levy is imposed on honey once under clause 3-1.
- Subclause 3-2(2) exempts from levy honey that is sold after being exported from Australia.
- Subclause 3-2(3) exempts from levy honey that, in a calendar year, is sold by retail sale or is used in Australia in the production of other goods by a person if the total quantity of honey sold or used by that person in that year is 1,500 kilograms or less. This exemption supports the efficient and cost-effective collection of the levy by not requiring the person to pay levy if the person would otherwise have a levy liability on retail sales and use in Australia of honey in the production of other goods below a threshold set previously following consultation with industry.
- Subclause 3-2(4) provides that the threshold exemption in subclause 3-2(3) does not apply to honey that has been the subject of one of the other two exemptions. The effect of this subclause is that honey that is exempt from levy, because levy has already been imposed or it is to be exported from Australia, is not counted towards the 1,500 kilogram levy threshold in subclause 3-2(3).

Clause 3-3—Rate of the levy

Clause 3-3 prescribes the honey levy rate.

Item 1 of the table in this clause prescribes four components:

- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

The honey levy rate is worked out by adding together the four components.

Clause 3-4—Levy payer

This clause identifies the person who is liable to pay the honey levy.

- Subclause 3-4(1) provides that the person who owns the honey immediately before the sale is liable to pay the levy imposed by subclause 3-1(1).
- Subclause 3-4(2) provides that the person who owns the honey immediately before it begins to be used in the production of other goods is liable to pay the levy imposed by subclause 3-1(2).

Clause 3-5—Application provision

Clause 3-5 provides that clause 3-1 applies in relation to honey that is sold, or used in the production of other goods, on or after 1 January 2025, whether the honey is produced before, on or after that day.

Part 1-2—Chickens and eggs

Division 4—Introduction

Clause 4-1—Simplified outline of this Part

This clause provides a simplified outline of Part 1-2. It summarises key features of the laying chicken levy, the egg levy and the meat chicken levy, which are imposed under this Part.

Division 5 – Laying chickens and eggs

Subdivision 5-A—Laying chickens

This Subdivision imposes a levy (**laying chicken levy**) on laying chickens hatched in a hatchery in Australia. Levy was previously imposed on laying chickens: see Schedules 16 and 27 to the 1999 Excise Levies Act, Schedule 16 to the 1999 Excise Levies Regulations, Schedule 10 to the 1998 NRS Excise Levy Act and Part 12 of the 1998 NRS Regulations.

Key definitions for the imposition of laying chicken levy:

- ***hatchery*** is defined in section 5 of the Regulations as any place at which chickens are hatched for commercial purposes.
- ***laying chicken*** is defined in section 5 of the Regulations as a female chicken that is to be raised for egg production.

Clause 5-1—Imposition of laying chicken levy

Clause 5-1 imposes levy on laying chickens that are hatched at a hatchery in Australia.

Clause 5-2—Exemptions from the levy

This clause exempts laying chickens from levy in three cases.

- Subclause 5-2(1) exempts from levy laying chickens hatched at a hatchery in a financial year if less than 1,060 laying chickens are hatched at that hatchery in that year. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy on laying chickens hatched below a threshold previously set following consultation with industry.
- Subclause 5-2(2) exempts from levy laying chickens that die, or are destroyed, at the hatchery at which they were hatched within 48 hours after hatching.

  A note explains that the exemption does not apply to laying chickens that die, or are destroyed, within those 48 hours at a place other than the hatchery.

- Subclause 5-2(3) provides that laying chickens that are exempt from levy under subclause 5-2(2) because they have died, or have been destroyed, at the hatchery at which they were hatched within 48 hours after hatching, are not counted for the purposes of the threshold exemption under subclause 5-2(1)

Clause 5-3—Rate of the levy

Clause 5-3 prescribes the laying chicken levy rate. Item 1 of the table in this clause prescribes four components:

- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

The laying chicken levy rate is worked out by adding together the four components.

Clause 5-4—Levy payer

This clause provides that the proprietor of the hatchery is liable to pay the laying chicken levy.

Clause 5-5—Application provision

Clause 5-5 provides that clause 5-1 applies in relation to laying chickens that are hatched on or after 1 July 2025.

Subdivision 5-B—Eggs

This Division imposes a levy (**egg levy**) on laying chickens purchased or released for use in the commercial production of eggs in Australia, in specific circumstances. Levy was previously imposed on eggs: see Schedule 27 to the 1999 Excise Levies Act and Schedule 27 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of egg levy:

- ***hatchery*** is defined in section 5 of the Regulations as any place at which chickens are hatched for commercial purposes.
- ***laying chicken*** is defined in section 5 of the Regulations as a female chicken that is to be raised for egg production.
- ***proprietor*** is defined in section 5 of the Regulations. In relation to a hatchery, it means the person carrying on the business conducted at the hatchery.

Clause 5-6—Imposition of egg levy

This clause imposes egg levy on laying chickens in two cases.

- Subclause 5-6(1) imposes levy on laying chickens that are purchased from the proprietor of a hatchery in Australia for use in the commercial production of eggs.

A note refers to clause 5-10, which sets out when laying chickens are taken to have been purchased.

- Subclause 5-6(2) imposes levy on laying chickens that are released from a hatchery into a commercial egg production facility in Australia for keeping for use in the commercial production of eggs.

Clause 5-7—Exemptions from the levy

This clause exempts from levy particular laying chickens if levy has already been imposed on them under clause 5-6. This ensures that laying chickens purchased or released for use in the commercial production of eggs in Australia only have egg levy imposed once.

Clause 5-8—Rate of the levy

Clause 5-8 prescribes the egg levy rate. Item 1 of the table in this clause prescribes the marketing component. The rate of levy is calculated by reference to either the number of laying chickens purchased or the number of laying chickens released into the commercial egg production facility. The egg levy rate is the single component amount.

Clause 5-9—Levy payer

Subclause 5-9(1) provides that the purchaser of the laying chickens is liable to pay the egg levy imposed by subclause 5-6(1).

Subclause 5-9(2) provides that the person keeping the laying chickens for use in the commercial production of eggs is liable to pay the egg levy imposed by subclause 5-6(2).

Clause 5-10—When are the laying chickens purchased?

This clause provides that, for the purposes of the Subdivision, laying chickens are taken to be purchased when the first payment for the chickens is made (whether that is a part payment or full payment). This clause clarifies when egg levy is imposed and payable in cases where a number of payments are made in the purchase of laying chickens.

Clause 5-11—Application provision

Clause 5-11 provides that clause 5-6 applies in relation to laying chickens that are purchased, or released into a commercial egg production facility, on or after 1 July 2025.

Division 6—Meat chickens

This Division imposes a levy (**meat chicken levy**) on meat chickens that are hatched at a hatchery in Australia. Levy was previously imposed on meat chickens: see Schedules 19 and 27 to the 1999 Excise Levies Act and Schedule 19 to the 1999 Excise Levies Regulations, Schedule 12 to the 1998 NRS Excise Levy Act and Part 14 of the 1998 NRS Regulations.

Key definitions for the imposition of meat chicken levy:

- ***chicken*** is defined in section 5 of the Regulations by reference to its scientific name.

- ***hatchery*** is defined in section 5 of the Regulations as a place where chickens are hatched for commercial purposes.
- ***meat chicken*** is defined in subclause 6-1(2) of Schedule 1 to the Regulations.
- ***proprietor*** is defined in section 5 of the Regulations. In relation to a hatchery, it means the person carrying on the business conducted at the hatchery.

Clause 6-1—Imposition of meat chicken levy

Subclause 6-1(1) imposes levy on meat chickens that are hatched at a hatchery in Australia.

Subclause 6-1(2) defines meat chicken as a chicken that is to be raised for meat production.

Clause 6-2—Exemptions from the levy

This clause exempts meat chickens from levy in two cases.

- Subclause 6-2(1) exempts meat chickens hatched at a hatchery in a financial year if less than 20,000 meat chickens were hatched at that hatchery in that year.
- Subclause 6-2(2) exempts meat chickens that die, or are destroyed, at the hatchery at which they were hatched, within 48 hours after being hatched.

  A note to this subclause clarifies that the exemption does not apply to meat chickens that die, or are destroyed, within those 48 hours at a place other than the hatchery.

Subclause 6-2(3) provides that meat chickens exempt from levy under subclause 6-2(2), because they die within 48 hours at the hatchery, are not counted for the purposes of the threshold exemption under subclause 6-2(1).

These exemptions support the efficient and cost-effective collection of levy by not requiring people to pay levy who would otherwise have a levy liability below a threshold set previously following consultation with industry.

Clause 6-3—Rate of the levy

Clause 6-3 prescribes the meat chicken levy rate with four components. Item 1 of the table in this clause prescribes:

- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

The meat chicken levy rate is worked out by adding together the four components.

Clause 6-4—Levy payer

This clause provides that the proprietor of the hatchery is liable to pay the meat chicken levy.

Clause 6-5—Application provision

Clause 6-5 provides that clause 6-1 applies in relation to meat chickens that are hatched on or after 1 July 2025.

Part 1-3—Livestock

Division 7—Introduction

Clause 7-1—Simplified outline of this Part

This clause provides a simplified outline of Part 1-3. It summarises key features of the levies imposed under this Part on the following livestock: buffaloes; cattle; deer; goats; horses; pigs; and sheep and lambs. It also notes matters of a general nature, including that the Charges Regulations impose charges on the export of livestock; that multiple levies and charges may apply over the course of an animal's life; and that amounts equal to levies collected are disbursed to different bodies.

Division 8—Buffaloes

This Division imposes a levy (**buffalo slaughter levy**) on buffaloes slaughtered in Australia, in specific circumstances. Levy was previously imposed on buffalo slaughter: see Schedule 2 to the 1999 Excise Levies Act, Schedule 2 to the 1999 Excise Levies Regulations, Schedule 11 to the 1998 NRS Excise Levy Act and Part 13 of the 1998 NRS Regulations.

Key definitions for the imposition of buffalo levy:

- ***buffalo*** is defined in subclause 8-1(2) of Schedule 1 to the Regulations.

Clause 8-1—Imposition of buffalo slaughter levy

Subclause 8-1(1) imposes levy on the slaughter of buffaloes in Australia at an abattoir. The slaughter must be for human consumption, whether that consumption is intended to occur in or outside Australia. The term ***buffalo*** is defined in subclause 8-1(2) by reference to its scientific name. An abattoir can include a place where a mobile business performs abattoir services in Australia.

Clause 8-2—Exemptions from the levy

This clause provides two exemptions from buffalo slaughter levy.

- Paragraph 8-2(a) exempts from levy the slaughter of buffaloes whose carcases are condemned or rejected as being unfit for human consumption because of the operation of a law of the Commonwealth, a State or a Territory.
- Paragraph 8-2(b) exempts from levy the slaughter of buffaloes for consumption by the owner of the buffaloes, members of the owner's family or the owner's employees. This ensures buffalo owners are not liable to pay levy on the slaughter of their buffaloes for personal consumption.

Clause 8-3—Rate of the levy

Clause 8-3 prescribes the buffalo slaughter levy rate. Item 1 of the table in this clause prescribes two components:

- the research and development component; and
- the National Residue Survey component.

The buffalo slaughter levy rate is worked out by adding together the two components.

Clause 8-4—Levy payer

This clause provides that the person who owns the buffalo at the time of the slaughter is liable to pay the buffalo slaughter levy.

Clause 8-5—Application provision

Clause 8-5 provides that clause 8-1 applies in relation to the slaughter of buffaloes on or after 1 July 2025.

Division 9—Cattle

Subdivision 9-A—Cattle slaughter levy

This Subdivision imposes a levy (**cattle slaughter levy**) on cattle slaughtered in Australia at an abattoir, in specific circumstances. Levy was previously imposed on beef production: see Schedule 1 to the 1999 Excise Levies Act and Schedule 1 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of cattle slaughter levy:

- ***bovine animal*** is defined in section 5 of the Regulations by reference to its scientific name.
- ***buffalo*** is defined in subclause 8-1(2) of Schedule 1 to the Regulations by reference to its scientific name.
- ***cattle*** is defined in section 5 of the Regulations as bovine animals other than buffalo.
- ***cold carcase weight*** of a carcase is defined in section 5 of the Regulations as the weight of the carcase 2 hours or more after slaughter.
- ***hot carcase weight*** of a carcase is defined in section 5 of the Regulations as the weight of the carcase within 2 hours after slaughter.
- ***proprietor***, is defined in section 5 of the Regulations. In relation to an abattoir, it means:
    - if a licence is required under Commonwealth, State, Australian Capital Territory or Northern Territory law to carry on abattoir activities—the licence holder; or
    - otherwise—the person carrying on the business of operating the abattoir.

Clause 9-1—Imposition of cattle slaughter levy

This clause imposes levy on the slaughter of cattle in Australia at an abattoir. The slaughter must be for human consumption whether that consumption is intended to occur in or outside Australia. An abattoir can include a place where a mobile business performs abattoir services in Australia.

Clause 9-2—Exemptions from the levy

This clause exempts from levy cattle whose carcases are condemned or rejected as being unfit for human consumption because of the operation of a law of the Commonwealth, a State or a Territory.

Clause 9-3—Rate of the levy

Subclause 9-3(1) prescribes the cattle slaughter levy rate. Item 1 of the table in this subclause prescribes two components:

- the marketing component; and
- the research and development component.

Each component is an amount of cents per kilogram of the weight of the carcase.

Subclause 9-3(2) describes how to work out the weight of the carcase in three cases.

- Item 1 of the table in this subclause covers the case where the proprietor of the abattoir determines the hot carcase weight of a carcase.
- Item 2 of the table covers the case where the proprietor of the abattoir determines the cold carcase weight of a carcase but not the hot carcase weight: the weight is the cold carcase weight multiplied by 1.03.
- Item 3 of the table covers all other cases: the weight of the carcase is taken to be 240 kilograms.

The cattle slaughter levy rate is worked out by adding together the two components.

Clause 9-4—Levy payer

This clause identifies the person liable to pay the cattle slaughter levy in two cases.

- Paragraph 9-4(a) provides that if the proprietor of the abattoir determines the hot carcase weight of the carcase—the person who owns the carcase immediately after that hot carcase weight is determined is liable to pay the levy.
- Paragraph 9-4(b) provides that in other cases—the person who owns the carcase immediately after slaughter is liable to pay the levy.

Clause 9-5—Application provision

Clause 9-5 provides that clause 9-1 applies in relation to the slaughter of cattle on or after 1 July 2025.

Subdivision 9-B—Cattle transaction levy

This Subdivision imposes levy (**cattle transaction levy**) on cattle, in specific circumstances. Cattle transaction levy was previously imposed on cattle: see Schedules 3 and 27 to the 1999 Excise Levies Act, Schedule 3 to the 1999 Excise Levies Regulations, Schedule 1 to the 1998 NRS Excise Levy Act and Part 3 of the 1998 NRS Regulations.

Key definitions for the imposition of cattle transaction levy:

- ***bovine animal*** is defined in section 5 of the Regulations by reference to its scientific name.
- ***buffalo*** is defined in subclause 9-1(2) of Schedule 1 to the Regulations by reference to its scientific name.
- ***bobby calf*** is defined in subclause 9-7(11) of Schedule 1 to the Regulations.
- ***cattle*** is defined in section 5 of the Regulations and means bovine animals other than buffalo.
- ***dairy cattle*** is defined in section 5 of the Regulations and means cattle held for use for the production of milk or for purposes incidental to the production of milk and includes dairy cows, heifers, calves and bulls.
- ***grain-fed beef products*** is defined in section 5 of the Regulations and means meat products that are certified as Grain Fed, Grain Fed Finished or Grain Fed Young Beef in accordance with the Australian Meat Industry Classification System published by AUS-MEAT Limited, as that system exists from time to time.
- ***hot carcase weight*** of a carcase is defined in section 5 of the Regulations and means the weight of the carcase within 2 hours after slaughter.
- ***lot-fed cattle*** is defined in section 5 of the Regulations and means cattle that are fed in a feedlot and are likely to be used in the production of grain-fed beef products.
- ***proprietor*** is defined in section 5 of the Regulations. In relation to an abattoir, it means:
    - if a licence is required under Commonwealth, State, Australian Capital Territory or Northern Territory law to carry on abattoir activities—the licence holder; or
    - otherwise—the person carrying on the business of operating the abattoir.

An interpretive provision is included in section 8 of the Regulations that applies in relation to the concept of ***related bodies corporate*** referred to in this Subdivision. Section 8 provides that the question of whether two bodies corporate are related to each other is to be determined in the same way as for the purposes of the *Corporations Act 2001*.

Grain-fed beef products

Subsection 27(5) of the Act provides that the regulations may make provision in relation to a matter by applying, adopting or incorporating, with or without modification, any matter contained in an instrument or other writing as in force or existing from time to time.

The Australian Meat Industry Classification System is a publication system published by AUS-MEAT Limited. In 2024, the Australian Meat Industry Classification System is available

for members to access on the AUS-MEAT website. Membership to AUS-MEAT is free. In 2024, there is also an option to purchase a hardcopy of the Australian Meat Industry Classification System from the AUS-MEAT website.

Clause 9-6—Imposition of cattle transaction levy

Clause 9-6 imposes levy on cattle in four cases.

Subclause 9-6(1) imposes levy on each transaction entered into by which the ownership of cattle is transferred from one person to another, where the cattle are in Australia at the time the transfer occurs.

A note to this subclause gives two examples of transactions that transfer ownership: sale and gift.

Subclauses 9-6(2), (3) and (4) impose levy on the slaughter of cattle, in Australia, at an abattoir, in three cases:

- where the cattle have been delivered to the abattoir otherwise than because of a sale to the proprietor of the abattoir (subclause 9-6(2));
- if the cattle are purchased by the proprietor of the abattoir and held by the proprietor for a period of more than 60 days after the day of the purchase and before the day of slaughter (subclause 9-6(3));
- where prior to slaughter, no transaction has been entered into by which ownership of the cattle has been transferred from one person to another, and where neither subclause 9-6(2) nor (3) applies to the circumstances of the slaughter (subclause 9-6(4)).

In each of these three cases, levy will only be imposed on the slaughter of cattle that occurs in Australia at an abattoir. An abattoir can include a place where a mobile business performs abattoir services in Australia.

The cattle transaction levy can be imposed by subclause 9-6(1) in relation to the same animal more than once during its life. This ensures that all persons within the cattle industry supply chain that benefit from levy funds investment will contribute to its funding.

Clause 9-7—Exemptions from the levy

Clause 9-7 prescribes ten exemptions from cattle transaction levy.

There are six exemptions from the levy imposed by subclause 9-6(1) (not including a general exemption for levy previously imposed on bobby calves).

- Subclause 9-7(1) exempts from levy a transfer of ownership from one person to another of dairy cattle if:
    - both persons are licensed dairy farmers; or
    - either of those persons is a licensed dairy farmer and those cattle are being acquired for inclusion in, or eventual inclusion in, a herd of dairy cattle.
- Subclause 9-7(2) exempts from levy a transfer of ownership of cattle between related bodies corporate, where the acquiring body corporate is not a proprietor of an abattoir.

- Subclause 9-7(3) exempts from levy a transfer of ownership of cattle to the proprietor of an abattoir if the cattle are not, at the time of transfer, fit for human consumption because of the operation of a Commonwealth, State or Territory law.
- Subclause 9-7(4) applies to a transfer of ownership of cattle to a person that holds an export licence. In this case, any further transfer to another export licence holder is exempt if the cattle are exported from Australia within 30 days after the first licence holder acquired them.
- Subclause 9-7(5) exempts from levy a transfer of ownership where the transfer occurs immediately before the cattle are loaded for export, or while they are being loaded for export, or while they are on board the ship or aircraft in which they are intended to be exported.
- Subclause 9-7(6) exempts from levy a transfer of ownership of cattle that results from a court order under the *Family Law Act 1975,* by devolution on the death of the owner of the cattle, or on the happening of notional disposal events referred to in the *Income Tax Assessment Act 1997*.

There are two exemptions from the levy imposed by subclause 9-6(2) on the slaughter of cattle.

- Subclause 9-7(7) exempts from levy the slaughter of cattle if:
    - the cattle are delivered to the abattoir for slaughter on behalf of the owner of the cattle; and
    - the delivery occurs within 14 days after the owner acquired the cattle; and
    - either:
        - if the hot carcase weight of the carcases is determined by the abattoir proprietor—the owner owns the carcases immediately after that hot carcase weight is determined; or
        - otherwise—the owner owns the carcases immediately after the slaughter.
- Subclause 9-7(8) exempts from levy the slaughter of cattle that are not, at the time of the delivery to the abattoir, fit for human consumption because of the operation of a Commonwealth, State or Territory law.

There is one exemption from levy imposed by subclause 9-6(3) or (4) on the slaughter of cattle.

- Subclause 9-7(9) exempts from levy the slaughter of cattle other than lot-fed cattle at an abattoir if:
    - the cattle are slaughtered for consumption by the owner of the cattle at the time of slaughter, members of the owner's household or the owner's employees;
    - the cattle are slaughtered for consumption on the owner's premises; and
    - there is no sale or other transaction transferring ownership of the cattle, or any part or product of the carcase of the cattle, before, during or after the slaughter.

This exemption ensures that cattle owners are not liable to pay levy on the slaughter of their cattle for personal consumption on their own premises.

Subclause 9-7(10) exempts particular bobby calves from levy if levy has already been imposed on them to prevent multiple impositions of cattle transaction levy under clause 9-6 on bobby calves. The term ***bobby calf*** is defined in subclause 9-7(11) and means a bovine animal (other than a buffalo or a head of lot-fed cattle) that meets certain age or weight requirements (which vary depending on whether the animal is slaughtered). It does not include a calf at foot with a cow.

Clause 9-8—Rate of the levy

Clause 9-8 prescribes cattle transaction levy rates by reference to the type of cattle. The different levy rates for types of cattle reflect the different sectors' investment priorities at the time when the component amounts were set.

Each item of the table in this subclause prescribes the rate for a type of cattle.

- Item 1 prescribes the rate for cattle other than lot-fed cattle or bobby calves.
- Item 2 prescribes the rate for lot-fed cattle.
- Item 3 prescribes the rate for bobby calves.

Each item of the table prescribes the rate with five components for each type of cattle:

- the marketing component;
- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

For each item of the table, the cattle transaction levy rate is worked out by adding together the five components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required. For bobby calves, the biosecurity activity component is set to nil following consultation with industry, with the possibility there may be an increase at a later date.

Clause 9-9—Levy payer

This clause identifies the person liable to pay the cattle transaction levy in the four cases.

- Subclause 9-9(1) provides that the person who owns the cattle immediately before the transaction is entered into is liable to pay the levy imposed by subclause 9-6(1).
- Subclause 9-9(2) provides that the person who owns the cattle immediately before delivery to the abattoir is liable to pay the levy imposed by subclause 9-6(2).
- Subclause 9-9(3) provides that the proprietor of the abattoir is liable to pay the levy imposed by subclause 9-6(3).

- Subclause 9-9(4) provides that the person who owns the cattle at the time of slaughter is liable to pay the levy imposed by subclause 9-6(4).

Clause 9-10—Application provision

Subclause 9-10(1) provides that subclause 9-6(1) applies in relation to a transaction entered into on or after 1 July 2025.

Subclause 9-10(2) provides that subclause 9-6(2) applies in relation to the slaughter of cattle at an abattoir on or after 1 July 2025, whether the delivery of the cattle to the abattoir is before, on or after that day.

Subclause 9-10(3) provides that subclause 9-6(3) applies in relation to the slaughter of cattle at an abattoir on or after 1 July 2025, whether the cattle were purchased before, on or after that day.

Subclause 9-10(4) provides that subclause 9-6(4) applies in relation to the slaughter of cattle at an abattoir on or after 1 July 2025.

Division 10—Deer slaughter

This Division imposes a levy (**deer slaughter levy**) on deer slaughtered in Australia at an abattoir, in specific circumstances. Levy was previously imposed on the slaughter of deer: see Schedule 7 to the 1999 Excise Levies Act, Schedule 7 to the 1999 Excise Levies Regulations, Schedule 11 to the 1998 NRS Excise Levy Act and Part 13 of the 1998 NRS Regulations.

Key definitions for the imposition of deer slaughter levy:

- ***cold carcase weight*** of a carcase is defined in section 5 of the Regulations as the weight of the carcase 2 hours or more after slaughter.
- ***deer*** is defined in subclause 10-1(2) of Schedule 1 to the Regulations.
- ***hot carcase weight*** of a carcase is defined in section 5 of the Regulations as the weight of the carcase within 2 hours after slaughter.
- ***proprietor*** is defined in section 5 of the Regulations. In relation to an abattoir, it means:
    - if a licence is required under Commonwealth, State, Australian Capital Territory or Northern Territory law to carry on abattoir activities—the licence holder; or
    - otherwise—the person carrying on the business of operating the abattoir.

Clause 10-1—Imposition of deer slaughter levy

Subclause 10-1(1) imposes levy on the slaughter of deer in Australia at an abattoir. The slaughter must be for human consumption, whether that consumption is intended to occur in or outside Australia. The term ***deer*** is defined in subclause 10-1(2) by reference to its scientific name. An abattoir can include a place where a mobile business performs abattoir services in Australia.

Clause 10-2—Exemptions from the levy

Clause 10-2 exempts from levy deer whose carcases are condemned or rejected as being unfit for human consumption because of the operation of a law of the Commonwealth, a State or a Territory.

Clause 10-3—Rate of the levy

Clause 10-3 prescribes deer slaughter levy rates in three cases.
Items 1, 2 and 3 of the table in this clause each prescribe two components:

- the research and development component; and
- the National Residue Survey component.

Item 1 of the table in this clause prescribes the rate for each carcase, if the hot carcase weight is determined. Each component is worked out by reference to an amount per kilogram of the weight of the carcase.

Item 2 of the table prescribes the rate for each carcase, if only the cold carcase weight is determined. The research and development component is worked out by reference to an amount per kilogram of the weight of the carcase multiplied by a number that adjusts the carcase weight for the delay in weighing it. The national residue survey component is worked out by reference to an amount per kilogram of the weight of the carcase.

Item 3 of the table prescribes the rate in any other case. Each component is worked out by reference to an amount per carcase. This amount represents the standard weight of a deer carcase of 60 kilograms multiplied by the hot carcase weight levy rate.
In each case, the deer slaughter levy rate is worked out by adding together the two component amounts.

Clause 10-4—Levy payer

This clause provides that the person who owns the deer at the time of the slaughter is liable to pay the deer slaughter levy.

Clause 10-5—Application provision

Clause 10-5 provides that clause 10-1 applies in relation to the slaughter of deer on or after 1 July 2025.

Division 11—Goats

Subdivision 11-A—Goat slaughter levy

This Subdivision imposes a levy (**goat slaughter levy**) on goats slaughtered in Australia, in specific circumstances. A live-stock slaughter levy was previously imposed on the slaughter of goats: see Schedule 17 to the 1999 Excise Levies Act and Schedule 17 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of goat slaughter levy:

- ***goat*** is defined in section 5 of the Regulations by reference to its scientific name.
- ***hot carcase weight*** is defined in section 5 of the Regulations as the weight of the carcase within 2 hours after slaughter.
- ***proprietor*** is defined in section 5 of the Regulations. In relation to an abattoir, means:
    - if a licence is required under Commonwealth, State, Australian Capital Territory or Northern Territory law to carry on abattoir activities—the licence holder; or
    - otherwise—the person carrying on the business of operating the abattoir.

Clause 11-1—Imposition of goat slaughter levy

This imposes levy on the slaughter of goats in Australia at an abattoir. The slaughter must be for human consumption whether that consumption is intended to occur in or outside Australia. An abattoir can include a place where a mobile business performs abattoir services in Australia.

Clause 11-2—Exemptions from the levy

This clause exempts goats from levy in two cases.

- Paragraph 11-2(a) exempts from levy the slaughter of goats whose carcases are condemned or rejected as being unfit for human consumption under a Commonwealth, a State or a Territory law.
- Paragraph 11-2(b) exempts from levy the slaughter of goats for consumption by the owner of the goats, by members of the owner's family or by the owner's employees. This ensures that goat owners are not liable to pay levy on the slaughter of their goats for personal consumption.

Clause 11-3—Rate of the levy

Clause 11-3 prescribes the goat slaughter levy rate.

Item 1 of the table in this clause prescribes two components:

- the marketing component and
- the research and development component.

The goat slaughter levy rate is worked out by adding together the two components.

Clause 11-4—Levy payer

This clause identifies the person liable to pay the goat slaughter levy in two cases.

- Paragraph 11-4(a) provides that if the proprietor of the abattoir determines the hot carcase weight of the carcase—the person who owns the carcase immediately after that hot carcase weight is determined is liable to pay the levy;
- Paragraph 11-4(b) provides that in other cases—the person who owns the carcase immediately after slaughter is liable to pay the levy.

Clause 11-5—Application provision

Clause 11-5 provides that clause 11-1 applies in relation to the slaughter of goats on or after 1 July 2025.

Subdivision 11-B—Goat transaction levy

This Subdivision imposes levy (**goat transaction levy**) on goats, in specific circumstances. Live-stock transaction levy was previously imposed on goats: see Schedules 18 and 27 to the 1999 Excise Levies Act, Schedule 18 to the 1999 Excise Levies Regulations, Schedule 15 to the 1998 NRS Excise Levy Act and Part 17 of the 1998 NRS Regulations.

Key definitions for the imposition of goat transaction levy:

- ***goat*** is defined in section 5 of the Regulations by reference to its scientific name.
- ***hot carcase weight*** is defined in section 5 of the Regulations and means the weight of the carcase within 2 hours after slaughter.
- ***proprietor*** is defined in section 5 of the Regulations. In relation to an abattoir, it means:
    - if a licence is required under a Commonwealth, State, Australian Capital Territory or Northern Territory law to carry on abattoir activities—the licence holder;
    - otherwise—the person carrying on the business of operating the abattoir.

An interpretive provision is included in section 8 of the Regulations that applies in relation to the concept of ***related bodies corporate*** referred to in this Subdivision. Section 8 provides that the question of whether two bodies corporate are related to each other is to be determined in the same way as for the purposes of the *Corporations Act 2001*.

Clause 11-6—Imposition of goat transaction levy

Clause 11-6 imposes levy on goats in four cases.

Subclause 11-6(1) imposes levy on each transaction entered into by which the ownership of goats is transferred from one person to another, where the goats are in Australia at the time the transfer occurs. A note to the subsection gives two examples of transactions that transfer ownership: sale and gift.

Subclauses 11-6(2), (3) and (4) impose levy on the slaughter of goats, in Australia, at an abattoir, in three cases:

- where the goats have been delivered to the abattoir, otherwise than because of a sale to the proprietor of the abattoir (subclause 11-6(2));
- if the goats are purchased by the proprietor of the abattoir and held by the proprietor for more than 30 days after purchase and before the day of slaughter (subclause 11-6(3));
- where prior to slaughter, no transaction has been entered into by which ownership of the goats has been transferred from one person to another, and where neither subclause 11-6(2) nor (3) applies to the circumstances of the slaughter (subclause 11-6(4)).

In each of these three cases, levy will only be imposed on the slaughter of goats, that occurs in Australia at an abattoir. An abattoir can include a place where a mobile business performs abattoir services in Australia.

The goat transaction levy can be imposed by subclause 11-6(1) in relation to the same animal more than once during its life. This ensures that all persons within the goat industry supply chain that benefit from levy funds investment will contribute to its funding.

Clause 11-7—Exemptions from the levy

Clause 11-7 prescribes eight exemptions from goat transaction levy.

There are five exemptions from levy imposed by subclause 11-6(1) that apply when a transfer of ownership of goats occurs in specific circumstances.

- Subclause 11-7(1) exempts from levy a transfer of ownership of goats between related bodies corporate, so long as the acquiring body corporate is not the proprietor of an abattoir.
- Subclause 11-7(2) exempts from levy a transfer of ownership of goats to the proprietor of an abattoir if the goats are not, at the time of transfer, fit for human consumption because of the operation of a Commonwealth, State or Territory law.
- Subclause 11-7(3) applies to a transfer of ownership of goats to a person that holds an export licence. In this case, any further transfer, to another export licence holder, is exempt if the goats are exported from Australia within 30 days after the first licence holder acquired them.
- Subclause 11-7(4) exempts from levy a transfer of ownership where that transfer occurs immediately before the goats are loaded for export, or while they are being loaded for export or while they are on board the ship or aircraft in which they are intended to be exported.
- Subclause 11-7(5) exempts from levy a transfer of ownership of goats that results from a court order under the *Family Law Act 1975*, by devolution on the death of the owner of the goats, or on the happening of notional disposal events referred to in the *Income Tax Assessment Act 1997.*

There are two exemptions from levy imposed by subclause 11-6(2) on the slaughter of goats.

- Subclause 11-7(6) exempts from levy the slaughter of goats if:
    - the goats are delivered to the abattoir for slaughter on behalf of the owner of the goats; and
    - the delivery occurs within 14 days after the owner acquired the goats; and
    - either
        - if the hot carcase weight of the carcases is determined by the abattoir proprietor—the owner owns the carcases immediately after that hot carcase weight is determined; or
        - otherwise—the owner owns the carcases immediately after the slaughter.

- Subclause 11-7(7) exempts from levy the slaughter of goats that are not, at the time of the delivery to the abattoir, fit for human consumption because of the operation of a Commonwealth, State or Territory law.

There is one exemption from levy imposed by subclause 11-6(3) or (4) on the slaughter of goats.

- Subclause 11-7(8) exempts from levy the slaughter of goats for consumption by the owner of the goats, by members of the owner's family or by the owner's employees. This ensures that goat owners are not liable to pay levy on the slaughter of their goats for personal consumption.

Clause 11-8—Rate of the levy

Subclause 11-8(1) prescribes the goat transaction levy rate.

Item 1 of the table in this clause prescribes five components:

- the marketing component;
- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

The goat transaction levy rate is worked out by adding together the five components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Subclause 11-8(2) provides that, for subclause 11-8(1), a nanny goat with a kid at foot are together taken to be a single head of goats.

Clause 11-9—Levy payer

This clause identifies the person who is liable to pay the goat transaction levy in four cases.

- Subclause 11-9(1) provides that the person who owns the goats immediately before the transaction is entered into is liable to pay the levy imposed by subclause 11-6(1).
- Subclause 11-9(2) provides that the person who owns the goats immediately before the delivery to the abattoir is liable to pay the levy imposed by subclause 11-6(2).
- Subclause 11-9(3) provides that the proprietor of the abattoir is liable to pay the levy imposed by subclause 11-6(3)
- Subclause 11-9(4) provides that the person who owns the goats at the time of slaughter is liable to pay the levy imposed under 11-6(4).

Clause 11-10—Application provision

Subclause 11-10(1) provides that subclause 11-6(1) applies in relation to a transaction entered into on or after 1 July 2025.

Subclause 11-10(2) provides that subclause 11-6(2) applies in relation to the slaughter of goats at an abattoir on or after 1 July 2025, whether the delivery of the goats to the abattoir is before, on or after that day.

Subclause 11-10(3) provides that subclause 11-6(3) applies in relation to the slaughter of goats at an abattoir on or after 1 July 2025, whether the goats were purchased before, on or after that day.

Subclause 11-10(4) provides that subclause 11-6(4) applies in relation to the slaughter of goats at an abattoir on or after 1 July 2025.

Division 12—Horses

Subdivision 12-A—Horse slaughter levy

This Subdivision imposes a levy (**horse slaughter levy**) on horses slaughtered in Australia at an abattoir, in specific circumstances. Levy was previously imposed on the slaughter of horses: see Schedule 8 to the 1998 NRS Excise Levy Act and Part 10 of the 1998 NRS Regulations.

Key definitions for the imposition of horse slaughter levy:

- ***horse*** is defined in section 5 of the Regulations by reference to its scientific name.

Clause 12-1—Imposition of horse slaughter levy

This clause imposes levy on the slaughter of horses in Australia at an abattoir. The horses must be of the species *Equus caballus* or *Equus ferus caballus* and the slaughter must be for human consumption whether that consumption is intended to occur in or outside Australia. An abattoir can include a place where a mobile business performs abattoir services in Australia.

Clause 12-2—Exemptions from the levy

This clause exempts from levy horses that are slaughtered if the carcases are condemned or rejected as being unfit for human consumption because of the operation of a law of the Commonwealth, a State or a Territory.

Clause 12-3—Rate of the levy

Clause 12-3 prescribes the horse slaughter levy rate.
Item 1 of the table in this clause prescribes the National Residue Survey component.
The horse slaughter levy rate is the single component amount.

Clause 12-4—Levy payer

This clause provides that the person who owns the carcases immediately after the slaughter is liable to pay the horse slaughter levy.

Clause 12-5—Application provision

Clause 12-5 provides that clause 12-1 applies in relation to the slaughter of horses on or after 1 July 2025.

Subdivision 12-B—Thoroughbred horse levy

This Subdivision imposes a levy (**thoroughbred horse levy**) on thoroughbred horses, in specific circumstances. Levy was previously imposed on thoroughbred horses: see Schedule 27 to the 1999 Excise Levies Act and Schedule 27 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of thoroughbred horse levy:

- ***Australian Stud Book*** is defined in subclause 12-6(6) of Schedule 1 to the Regulations.
- ***covered,*** for a mare, is defined in subclause 12-6(8) of Schedule 1 to the Regulations.
- ***declaration of service*** is defined in subclause 12-6(9) of Schedule1 to the Regulations.
- ***mare*** is defined in subclause 12-6(3) of Schedule 1 to the Regulations.
- ***mare return*** is defined in subclause 12-6(4) of Schedule 1 to the Regulations.
- ***Racing Australia*** is defined in subclause 12-6(7) of Schedule 1 to the Regulations.
- ***Rules of the Australian Stud Book*** is defined in subclause 12-6(5) of Schedule 1 to the Regulations.

Clause 12-6—Imposition of thoroughbred horse levy

This clause imposes the thoroughbred horse levy in two cases.

Subclause 12-6(1) imposes levy on a thoroughbred mare that is recorded in a mare return lodged with Racing Australia, in a period of 12 months beginning on 1 March, for registration in the Australian Stud Book.

Subclause 12-6(2) imposes levy on a thoroughbred stallion if:

- the stallion covers a mare; and
- the covering is recorded in a declaration of service lodged with Racing Australia in a period of 12 months beginning on 1 March for registration in the Australian Stud Book; and
- no previous covering of the mare by the stallion has been recorded in a declaration of service lodged with Racing Australia in the same period.

This clause defines the following terms:

- ***mare*** is defined in subclause 12-6(3) as a female horse aged 4 years or more.
- ***mare return*** is defined in subclause 12-6(4) as a mare return required to be lodged by the Rules of the Australian Stud Book.
- ***Rules of the Australian Stud Book*** is defined in subclause 12-6(5) as the rules of the Australian Stud Book published by Racing Australia, as in force from time to time.
- ***Australian Stud Book*** is defined in subclause 12-6(6) as the publication of that name, as in force from time to time, that contains the official records of thoroughbred bloodlines in Australia and is kept and maintained by Racing Australia.
- ***Racing Australia*** is defined in subclause 12-6(7) as Racing Australia Limited (ACN 105 994 330).
- ***covered,*** for a mare, is defined in subclause 12-6(8). A mare is covered by a stallion if the mare and stallion are joined for the purpose of breeding, even if a foal is not produced or is born deceased.
- ***declaration of service*** is defined in subclause 12-6(9) as a declaration of service, in respect of a stallion, required to be lodged by the Rules of the Australian Stud Book.

Levy may be imposed under clause 12-6 on a thoroughbred mare or stallion multiple times during its life. There are no exemptions from the thoroughbred horse levy.

Australian Stud Book* and *Rules of the Australian Stud Book

Subsection 27(5) of the Act provides that the regulations may make provision in relation to a matter by applying, adopting or incorporating, with or without modification, any matter contained in an instrument or other writing as in force or existing from time to time.

The ***Australian Stud Book*** contains the official records of thoroughbred bloodlines in Australia and is kept and maintained by ***Racing Australia***. The Australian Stud Book forms part of an international rules framework providing for the integrity of racehorse bloodlines.

The ***Rules of the Australian Stud Book*** provide detail necessary to support the operation of the Australian Stud Book. The criteria for acceptance of a ***mare return*** and a stallion's ***declaration of service*** are located in the Rules of the Australian Stud Book.

The Rules of the Australian Stud Book are freely available online on the Racing Australia website. The Australian Stud Book is searchable by the public, with a paid subscription required for additional detailed information. A free search will reveal whether a horse is already included in the Australian Stud Book.

Clause 12-7—Rate of the levy

Clause 12-7 prescribes thoroughbred horse levy rates separately for mares and stallions. In each case, the rate is prescribed as a single component: the research and development component.

For mares, item 1 of the table in subclause 12-7(1) prescribes the rate of levy for mares included in a mare return lodged in the 12-month period from 1 March in a year.

For stallions, item 1 of the table in subclause 12-7(2) specifies the rate of levy for stallions as a specified amount for each mare covered by the stallion and included in a declaration of service lodged in a 12-month period from 1 March in a year. Subclause 12-7(3) makes it clear that subclause 12-7(2) applies whether or not the mare is covered by the stallion during the 12-month period in which the declaration of service is lodged.

In each case, the thoroughbred horse levy rate is the single component amount.

Clause 12-8—Levy payer

This clause identifies the person liable to pay the thoroughbred horse levy in two cases:

- Subclause 12-8(1) provides that the breeder who lodged the mare return, or on whose behalf the mare return was lodged, is liable to pay the levy for a mare.
- Subclause 12-8(2) provides that the breeder who lodged the declaration of service, or on whose behalf the declaration of service was lodged, is liable to pay the levy for a stallion.

Clause 12-9—Application provisions

Subclause 12-9(1) provides that subclause 12-6(1) applies in relation to mare returns lodged on or after 1 March 2025.

Subclause 12-9(2) provides that subclause 12-6(2) applies in relation to a declaration of service lodged on or after 1 March 2025, whether the covering occurs before, on or after that day.

Subdivision 12-C—Horse biosecurity response levy

This Subdivision imposes a levy (**horse biosecurity response levy**) on the disposal of manufactured feed or worm treatment, in specific circumstances. Horse disease response levy was previously imposed by the *Horse Disease Response Levy Act 2011*.

Key definitions for the imposition of horse biosecurity response levy:

- ***Agvet Code*** is defined in subclause 12-10(5) of Schedule 1 to the Regulations.
- ***manufactured feed*** is defined in subclause 12-10(3) of Schedule 1 to the Regulations.
- ***worm treatment*** is defined in subclause 12-10(4) of Schedule 1 to the Regulations.

Clause 12-10—Imposition of horse biosecurity response levy

Subclause 12-10(1) imposes levy on disposals of manufactured feed, or worm treatment, by one person to another if the disposal takes place in Australia and the disposal is the first disposal of the feed or treatment after the feed or treatment is imported into Australia or manufactured in Australia.

Subclause 12-10(2) clarifies that subclause 12-10(1) applies to all disposals—by sale, gift or otherwise. There are no exemptions to the levy.

The following terms are defined:

- ***manufactured feed*** is defined in subclause 12-10(3) as feed that is suitable for horses generally, or horses of a particular kind, and has been prepared using one or more specified processes.
- ***worm treatment*** is defined in subclause 12-10(4) as a veterinary chemical product (within the meaning of the Agvet Code) for which all the specified conditions are met.
- ***Agvet Code*** is defined in subclause 12-10(5) as the Code set out in the Schedule to the *Agricultural and Veterinary Chemicals Code Act 1994*.

Clause 12-11—Rate of the levy

Clause 12-11 prescribes the horse biosecurity response levy rate in two cases: for disposals of manufactured feed and for disposals of worm treatments.

Items 1 and 2 of the table in this clause each prescribe the biosecurity response component. In each case, the horse biosecurity response levy rate is the single component amount.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the horse industry and the Commonwealth that the biosecurity component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 12-12—Levy payer

This clause provides that the person who disposes of the manufactured feed or worm treatment is liable to pay the horse biosecurity response levy.

Clause 12-13—Application provision

Clause 12-13 provides that clause 12-10 applies in relation to the disposal of manufactured feed or worm treatment on or after 1 January 2025, whether the feed or treatment is imported into Australia or manufactured in Australia before, on or after that day.

Division 13—Pig slaughter

This Division imposes a levy (**pig slaughter levy**) on pigs slaughtered in Australia, in specific circumstances. Levy was previously imposed on the slaughter of pigs: see Schedules 22 and 27 to the 1999 Excise Levies Act; Schedule 22 to the 1999 Excise Levies Regulations; Schedule 11 to the 1998 NRS Excise Levy Act and Part 13 of the 1998 NRS Regulations.

Key definitions for the imposition of pig slaughter levy:

- ***pig*** is defined in subclause 13-1(3) of Schedule 1 to the Regulations.

Clause 13-1—Imposition of pig slaughter levy

This clause imposes levy on the slaughter in Australia of pigs at an abattoir. The slaughter must be for human consumption, whether that consumption is intended to occur in or outside Australia. Subclause 13-1(2) clarifies that it is not relevant to the imposition of the levy whether the carcases are later used for human consumption. The term ***pig*** is defined in subclause 13-1(3) by reference to its scientific name. An abattoir can include a place where a mobile business performs abattoir services in Australia.

Clause 13-2—Exemptions from the levy

This clause exempts from levy pigs slaughtered for consumption by the owner of the pigs, by members of the owner's family or by the owner's employees. This ensures pig owners are not liable to pay levy on the slaughter of their pigs for personal consumption.

Clause 13-3—Rate of the levy

Clause 13-3 prescribes the pig slaughter levy rate.

Item 1 of the table in this clause prescribes five components:

- the marketing component;
- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

The pig slaughter levy rate is worked out by adding together the five components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 13-4—Levy payer

This clause provides that the person who owns the pigs at the time of the slaughter in Australia is liable to pay the pig slaughter levy.

Clause 13-5—Application provision

Clause 13-5 provides that clause 13-1 applies in relation to the slaughter of pigs on or after 1 July 2025.

Division 14—Sheep and Lambs

Subdivision 14-A—Sheep and lambs slaughter levy

This Subdivision imposes a levy (**sheep and lambs slaughter levy**) on sheep and lambs slaughtered in Australia, in specific circumstances. Live-stock slaughter levy was previously imposed on the slaughter of sheep and lambs: see Schedule 17 to the 1999 Excise Levies Act and Schedule 17 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of sheep and lambs slaughter levy:

- ***hot carcase weight*** is defined in section 5 of the Regulations as the weight of the carcase within 2 hours after slaughter.
- ***lamb*** is defined in section 5 of the Regulations by reference to its scientific name. It must be less than 12 months old, or not have any permanent incisor teeth in wear.
- ***proprietor*** is defined in section 5 of the Regulations. In relation to an abattoir, it means:
    - if a licence is required under Commonwealth, State, Australian Capital Territory or Northern Territory law to carry on abattoir activities—the licence holder; or
    - otherwise—the person carrying on the business of operating the abattoir.
- ***sheep*** is defined in section 5 by reference to its scientific name but does not include lambs.

Clause 14-1—Imposition of sheep and lambs slaughter levy

This clause imposes levy on the slaughter of sheep or lambs in Australia at an abattoir. The slaughter must be for human consumption, whether that consumption is intended to occur in or outside Australia.

Clause 14-2—Exemptions from the levy

This clause exempts sheep or lambs from slaughter levy in two cases.

- Paragraph 14-2(a) exempts from levy, the slaughter of sheep or lambs if the carcases are condemned or rejected as being unfit for human consumption under a Commonwealth, State or Territory law.
- Paragraph 14-2(b) exempts from slaughter levy, the slaughter of sheep or lambs for consumption by the owner of the sheep or lambs, by members of the owner's family or by the owner's employees. This ensures that sheep and lambs owners are not liable to pay levy on the slaughter of their sheep and lambs for personal consumption.

Clause 14-3—Rate of the levy

Clause 14-3 prescribes sheep and lambs slaughter levy rates in two cases.
Item 1 of the table in this clause prescribes the rate for sheep. Item 2 of the table prescribes the rate for lambs. Each item prescribes two components:

- the marketing component and

- the research and development component.

In each case, the sheep and lambs slaughter levy rate is worked out by adding together the two components.

Clause 14-4—Levy payer

This clause identifies the person liable to pay the sheep and lambs slaughter levy in two cases.

- Paragraph 14-4(a) provides that if the proprietor of the abattoir determines the hot carcase weight of the carcase—the person who owns the carcase immediately after that hot carcase weight is determined is liable to pay the levy;
- Paragraph 14-4(b) provides that in other cases—the person who owns the carcase immediately after slaughter is liable to pay the levy.

Clause 14-5—Application provision

Clause 14-5 provides that clause 14-1 applies in relation to the slaughter of sheep and lambs on or after 1 July 2025.

Subdivision 14-B—Sheep and lambs transactions

This Subdivision imposes levy (**sheep and lambs transaction levy**) on sheep or lambs, in specific circumstances. Live-stock transaction levy was previously imposed on sheep and lambs: see Schedules 18 and 27 to the 1999 Excise Levies Act, Schedule 18 to the 1999 Excise Levies Regulations, Schedule 15 to the 1998 NRS Excise Levy Act and Part 17 of the 1998 NRS Regulations.

Key definitions for the imposition of sheep and lambs transaction levy:

- ***hot carcase weight*** is defined in section 5 of the Regulations and means the weight of the carcase within 2 hours after slaughter.
- ***lamb*** is defined in section 5 of the Regulations by reference to its scientific name. It must be less than 12 months old, or not have any permanent incisor teeth in wear.
- ***non-carcase material*** is defined in subclause 14-8(5) of Schedule 1 to the Regulations.
- ***proprietor*** is defined in section 5 of the Regulations. In relation to an abattoir, it means:
    - if a licence is required under Commonwealth, State, Australian Capital Territory or Northern Territory law to carry on abattoir activities—the licence holder; or
    - otherwise—the person carrying on the business of operating the abattoir.
- ***sale price***, per head of sheep or lambs, in relation to a transaction by which the ownership of the sheep or lamb is transferred, is defined in subclause 14-8(4) of Schedule 1 to the Regulations.
- ***sheep*** is defined in section 5 of the Regulations by reference to its scientific name but does not include lambs.

An interpretive provision is included in section 8 of the Regulations that applies in relation to the concept of ***related bodies corporate*** referred to in this Subdivision. Section 8 provides that the question of whether two bodies corporate are related to each other is to be determined in the same way as for the purposes of the *Corporations Act 2001*.

Clause 14-6—Imposition of sheep and lambs transaction levy

Clause 14-6 imposes levy on sheep and lambs in four cases.

Subclause 14-6(1) imposes levy on each transaction entered into by which the ownership of sheep or lambs is transferred from one person to another, where the sheep or lambs are in Australia at the time the transfer occurs. A note to this subclause gives an example of a transaction that transfers ownership: by sale.

Subclauses 14-6(2), (3) and (4) impose levy on the slaughter of sheep or lambs in Australia at an abattoir in three cases:

- where the sheep or lambs have been delivered to the abattoir, otherwise than because of a sale to the proprietor of the abattoir (subclause 14-6(2));
- if the sheep or lambs are purchased by the proprietor of the abattoir and held for more than 30 days after the day of the purchase and before the day of the slaughter (subclause 14-6(3));
- where prior to slaughter, no transaction has been entered into by which ownership of the sheep or lambs has been transferred from one person to another, and where neither subclause 14-6(2) nor (3) applies to the circumstances of the slaughter (subclause 14-6(4)).

In each of these three cases, levy will only be imposed on the slaughter of sheep and lambs, in Australia, at an abattoir. An abattoir can include a place where a mobile business performs abattoir services in Australia.

The sheep and lambs transaction levy can be imposed by subclause 14-6(1) in relation to the same animal more than once during its life. This ensures that all those in the sheep and lambs industry supply chain that benefit from levy funds investment will contribute to its funding.

Clause 14-7—Exemptions from the levy

This clause prescribes nine exemptions from sheep and lambs transaction levy.

There are six exemptions from levy imposed under subclause 14-6(1) that apply when either a transfer of ownership or sale occurs in specific circumstances:

- Subclause 14-7(1) exempts from levy a transfer of ownership of sheep or lambs between related bodies corporate, so long as the acquiring body corporate is not the proprietor of an abattoir.
- Subclause 14-7(2) exempts from levy a transfer of ownership of sheep or lambs to the proprietor of an abattoir if they are not, at the time of the transfer, fit for human consumption under a Commonwealth, State or Territory law.

- Subclause 14-7(3) applies where levy is imposed in relation to a transfer of ownership of sheep or lambs to an export licence holder. In this case, a further transfer to another export licence holder is exempt from levy if the sheep or lambs are exported from Australia within 30 days after the first licence holder acquired them.
- Subclause 14-7(4) exempts from levy the sale of sheep or lambs if the sale price per head is less than $5. This supports the efficient and cost-effective collection of the levy by exempting payment of levy by people who would otherwise have a small levy liability.
- Subclause 14-7(5) exempts from levy a transfer of ownership of sheep or lambs where the transfer occurs immediately before the sheep or lambs are loaded for export, or while they are being loaded for export, or while they are on board a ship or aircraft in which they are to be exported.
- Subclause 14-7(6) exempts from levy a transfer of ownership of sheep or lambs that results from a court order under the *Family Law Act 1975,* as a result of a gift of the sheep or lambs, by devolution on the death of the owner of the sheep or lambs, or on the happening of events referred to in the *Income Tax Assessment Act 1997.*

There are two exemptions from levy imposed by subclause 14-6(2) on the slaughter of sheep or lambs.

- Subclause 14-7(7) exempts from levy the slaughter of sheep or lambs if:
    - they are delivered to the abattoir for slaughter on behalf of their owner; and
    - delivery occurs within 14 days after that owner acquired them; and
    - either
        - if the hot carcase weight of the carcases is determined by the abattoir proprietor—the owner owns the carcases immediately after that hot carcase weight is determined; or
        - otherwise—the owner owns the carcases immediately after the slaughter.
- Subclause 14-7(8) exempts from levy sheep or lambs that are not, at the time of the delivery to the abattoir, fit for human consumption under a Commonwealth, State or Territory law.

There is one exemption from levy imposed by subclause 14-6(3) or (4) on the slaughter of sheep or lambs.

- Subclause 14-7(9) exempts from levy the slaughter of sheep or lambs for consumption by the owner of the sheep or lambs, by members of the owner's family or by the owner's employees. This ensures that sheep and lambs owners are not liable to pay levy on the slaughter of their sheep and lambs for personal consumption.

Clause 14-8—Rate of the levy

Clause 14-8 prescribes sheep and lambs transaction levy rates by reference to sheep and lambs, separately. The different levy rates reflect the different values of sheep and lambs.

Sheep

Subclause 14-8(1) covers levy imposed by subclauses 14-6(1), (2), (3) and (4) on sheep. The table in this subclause sets out the levy rate for sheep in four cases.

- Item 1 of the table in this subclause prescribes the rate for the sale of sheep where the sale price per head is $5 or more and $10 or less. The rates (except for the biosecurity response component) are worked out as a multiple of the sale price. The biosecurity response component is zero.
- Item 2 of the table prescribes the rate for the sale of sheep where the sale price per head is more than $10. The rates are worked out as a specified amount per head.
- Item 3 prescribes the rate for any other cases in which the ownership of sheep is transferred. The rates are worked out as a specified amount per head.
- Item 4 prescribes the rate for sheep that are slaughtered. The rates are worked out as a specified amount per head.

Each item of the table prescribes the rate with five components:

- the marketing component;
- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey Component.

For each item in the table, the sheep and lambs transaction levy rate is worked out by adding together the five components.

Subclause 14-8(2) provides that, for the purposes of the items in the table, a ewe with a lamb at foot are together taken to be a single head of sheep.

Lambs

Subclause 14-8(3) covers levy imposed by subclauses 14-6(1), (2), (3) and (4) on lambs. The table in this subclause sets out the levy rate for lambs in four cases.

- Item 1 of the table in this subclause prescribes the rate of levy for the sale of lambs where the sale price per head is $5 or more and $75 or less. The rates (except for the biosecurity response component) are worked out as a multiple of the sale price. The biosecurity response component is zero.
- Item 2 of the table prescribes the rate for the sale of lambs where the sale price per head is more than $75. The rates are worked out as a specified amount per head.
- Item 3 prescribes the rate for lambs in any other cases in which the ownership of lambs is transferred. The rates are worked out as a specified amount per head.
- Item 4 prescribes the rate for lambs that are slaughtered. The rates are worked out as a specified amount per head.

Each item of the table prescribes the rate with five components:

- the marketing component;
- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

For lambs, the sheep and lambs transaction levy rate is worked out by adding together the five components.

In each case for sheep and lambs, the biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate payment (including repayment) mechanism if required.

This clause defines the following terms:

- ***sale price***, per head of sheep or lambs, in relation to a transaction by which the ownership of the sheep or lambs is transferred, is defined in subclause 14-8(4) as:
    - the price per head stated for the transaction, unless one of the following three special cases applies;
    - if the price stated for the transaction is a live-weight price per kilogram—that price, multiplied by the animal's weight in kilograms;
    - if the price stated for the transaction is a hot carcase weight price per kilogram that includes the recovery value of the non-carcase material—that price multiplied by the animal's hot carcase weight in kilograms;
    - if the price stated for the transaction is a hot carcase weight price per kilogram that does not include the recovery value of the non-carcase material—the sum of:
        - that price multiplied by the animal's hot carcase weight in kilograms; and
        - the amount identified as the recovery value of the non-carcase material.
- ***non-carcase material*** is defined in subclause 14-8(5) as the skin, fleece, offal and other by-products of a carcase that are sold or supplied to a buyer or buyers.

Subclause 14-8(6) provides that a sale price is to be rounded to the nearest multiple of 10 cents.

Clause 14-9—Levy payer

This clause identifies the person liable to pay the sheep and lambs transaction levy in the four cases.

- Subclause 14-9(1) provides that the person who owns the sheep or lambs immediately before the transaction is entered into is liable to pay the levy imposed by subclause 14-6(1).

- Subclause 14-9(2) provides that the person who owns the sheep or lambs immediately before they are delivered to the abattoir is liable to pay the levy imposed by subsection 14-6(2).
- Subclause 14-9(3) provides that the proprietor of the abattoir is liable to pay the levy imposed by subsection 14-6(3).
- Subclause 14-9(4) provides that the person who owns the sheep or lambs at the time of slaughter is liable to pay the levy imposed by subsection 14-6(4).

Clause 14-10—Application provisions

Subclause 14-10(1) provides that subclause 14-6(1) applies in relation to a transaction entered into on or after 1 July 2025.

Subclause 14-10(2) provides that subclause 14-6(2) applies in relation to the slaughter of sheep or lambs at an abattoir on or after 1 July 2025, whether the delivery of the sheep or lambs to the abattoir is before, on or after that day.

Subclause 14-10(3) provides that subclause 14-6(3) applies in relation to the slaughter of sheep or lambs at an abattoir on or after 1 July 2025, whether the sheep or lambs were purchased before, on or after that day.

Subclause 14-10(4) provides that subclause 14-6(4) applies in relation to the slaughter of sheep or lambs at an abattoir on or after 1 July 2025.

Part 1-4—Livestock products

Division 15—Introduction

Clause 15-1—Simplified outline of this Part

This clause provides a simplified outline of Part 1-4. It summarises key features of the dairy produce levy, the goat fibre levy and the wool levy, which are imposed under this Part.

Division 16—Dairy produce

This Division imposes a levy (**dairy produce levy**) on whole milk produced in Australia, in specific circumstances. Levy was previously imposed on dairy produce: see Schedules 6 and 27 to the 1999 Excise Levies Act and Schedule 6 to the 1999 Excise Levies Regulations; Schedule 3 to the 1998 NRS Excise Levy Act and Part 5 of the 1998 NRS Regulations.

Key definitions for the imposition of dairy produce levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to the dairy produce levy it means a person who buys whole milk from dairy produce levy payers in the course of carrying on a business.
- ***process***, in relation to an animal product, is defined in subsection 7(2) of the Regulations. In relation to whole milk, it means the performance of an operation, except sorting, grading, packing, storage, transport, delivery or chilling.

- ***processing establishment*** is defined in section 5 of the Regulations. In relation to the dairy produce levy, it means business premises at which a process in relation to whole milk is performed.
- ***whole milk*** is defined in subclause 16-1(2) of Schedule 1 to the Regulations.

Clause 16-1—Imposition of dairy produce levy

Subclause 16-1(1) imposes levy on whole milk that is produced in Australia if:

- the milk is delivered to a processing establishment in Australia by or on behalf of the person who owns the milk immediately after it is produced; or
- the milk is sold to a business purchaser (whether directly or through a selling agent or buying agent or both) by the person who owns the milk immediately after it is produced; or
- the milk is processed by the person who owns the milk immediately after it is produced.

The term ***whole milk*** is defined in subclause 16-1(2) as the lacteal fluid product of a dairy cow, where that product contains all its constituents as received from the dairy cow.

Clause 16-2—Exemptions from the levy

This clause exempts particular whole milk from levy if dairy produce levy has previously been imposed on the milk. The purpose of the exemption is to ensure that particular whole milk can only be subject to the dairy produce levy once.

Clause 16-3—Rate of the levy

Subclause 16-3(1) prescribes the dairy produce levy rate.

Item 1 of the table in this subclause prescribes four components:

- the general component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

The dairy produce levy rate is worked out by adding together all the components.

Subclause 16-3(1) requires the general component and the biosecurity activity component to each be worked out on the basis of the milk fat content and the protein content of the whole milk.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required. The National Residue Survey component is set to nil, with the possibility there may be an increase at a later date.

Subclauses 16-3(2) and (3) provide for the milk fat content and the protein content of whole milk.

Each subclause respectively provides that:

- the milk fat content and protein content is equal to the milk fat content and the protein content determined from the most recent sample taken:
    - before the milk was delivered to the processing establishment, begins to be processed or is sold; and
    - for the purposes of making that determination; or
- if that does not occur, there is a prescribed default value for milk fat content and protein content.

Clause 16-4—Levy payer

This clause provides that the person who owns the whole milk immediately after it is produced is liable to pay the dairy produce levy

Clause 16-5—Application provisions

Subclause 16-5(1) provides that paragraph 16-1(1)(a) applies in relation to whole milk that is delivered to a processing establishment on or after 1 July 2025, whether the milk is produced before, on or after that day.

Subclause 16-5(2) provides that paragraph 16-1(1)(b) applies in relation to whole milk that is sold on or after 1 July 2025, whether the milk is produced before, on or after that day.

Subclause 16-5(3) provides that paragraph 16-1(1)(c) applies in relation to whole milk that is processed on or after 1 July 2025, whether the milk is produced before, on or after that day.

Division 17—Goat fibre

This Division imposes a levy (**goat fibre levy**) on goat fibre harvested from live goats in Australia, in specific circumstances. Levy was previously imposed on goat fibre: see Schedule 11 to the 1999 Excise Levies Act.

Key definitions for the imposition of goat fibre levy:

- ***goat*** is defined in section 5 of the Regulations by reference to its scientific name.
- ***value***, of goat fibre, is defined in subclause 17-2(2) of Schedule 1 to the Regulations.

Clause 17-1—Imposition of goat fibre levy

Subclause 17-1(1) imposes levy on goat fibre that is harvested from a live goat in Australia and is either sold, or used in Australia in the production of other goods, by the person who owns the goat fibre immediately after it is harvested.

Subclause 17-1(2) provides that subclause 17-1(1) applies whether or not the goat fibre has been subjected to one or more specified processes.

Clause 17-2—Exemptions from the levy

This clause exempts goat fibre from levy in two cases.

Subclause 17-2(1) exempts from levy goat fibre that is sold after being exported from Australia.

Subclause 17-2(2) exempts from levy goat fibre that, in a calendar year, is sold or used in Australia in the production of other goods by the person who owns the goat fibre immediately after it is harvested, if the sum of the following is less than $50:

- the total value of goat fibre sold by that person in that year; and
- the total value of goat fibre used by that person in that year in the production of other goods.

This exemption supports the efficient and cost-effective collection of levy by not requiring people to pay levy on amounts of goat fibre with a value below a threshold set in consultation with industry.

Subclause 17-2(3) provides that goat fibre cannot be counted towards the threshold exemption in subclause 17-2(2) if the goat fibre is exempt from levy under subclause 17-2(1). This ensures that the threshold exemption only applies to goat fibre on which levy could otherwise be imposed.

Subclause 17-2(4) defines ***value***, of goat fibre as:

- for goat fibre that is sold—the sale price of the goat fibre;
- for goat fibre that is used in the production of other goods—the market value of the goat fibre on the day the goat fibre begins to be so used.

A note to this subclause provides that, under section 22 of the Act, ‘sale price’ does not include the net GST.

Clause 17-3—Rate of the levy

Clause 17-3 prescribes the goat fibre levy rate.

Item 1 of the table in this clause prescribes: the research and development component. The rate is worked out as a percentage of the value of the goat fibre.

The goat fibre levy rate is the single component amount.

Clause 17-4—Levy payer

This clause provides that the person who owns the goat fibre immediately after it is harvested is liable to pay the goat fibre levy.

Clause 17-5—Application provision

Clause 17-5 provides that subclause 17-1(1) applies in relation to goat fibre that is sold, or used in the production of other goods, on or after 1 January 2025, whether the goat fibre is harvested before, on or after that day.

Division 18—Wool

This Division imposes a levy (**wool levy**) on wool harvested in Australia, in specific circumstances. Levy was previously imposed on wool: see Schedule 27 to the 1999 Excise Levies Act and Schedule 27 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of wool levy:

- ***value*** is defined in subclause 18-3(2) of Schedule 1 to the Regulations.

Clause 18-1—Imposition of wool levy

This clause imposes levy on wool that is harvested from a live sheep or lamb in Australia and is either sold by the person who owns the wool immediately after it is harvested or used in Australia by that person in the production of other goods.

Clause 18-2—Exemptions from the levy

This clause exempts from levy wool if wool export charge has already been imposed on the wool under the Charges Regulations.

Clause 18-3—Rate of the levy

Clause 18-3 prescribes the wool levy rate.

Item 1 of the table in subclause 18-3(1) prescribes the general component. The rate is worked out as a percentage of the value of the wool.

The wool levy rate is the single component amount.

The term ***value*** is defined in subclause 18-3(2):

- for wool that is sold—the sale price of the wool, excluding handling, storage and transport costs;
- for wool (the ***relevant wool***) that is used in the production of other goods—the market price of wool of the same quality that is most recently sold at the market that is closest to the premises at which the relevant wool begins to be so used.

Notes to subclause 18-3(2) respectively explain that, under section 22 of the Act, the ‘sale price’ or ‘market price’ of wool does not include the net GST, and that in 2024, the Australian Wool Exchange published market prices of wool.

Clause 18-4—Levy payer

This clause provides that the person who owns the wool immediately after it is harvested is liable to pay the wool levy.

Clause 18-5—Application provision

Clause 18-5 provides that subclause 18-1 applies in relation to wool that is sold or used in the production of other goods on or after 1 July 2025, whether the wool is harvested before, on or after that day.

Part 1-5—Other animals

Division 19—Introduction

Clause 19-1—Simplified outline of this Part

This clause provides a simplified outline of Part 1-5. It summarises key features of the levies imposed in this Part: two levies on farmed prawns, the game animal processing levy, the macropod processing levy and the ratite slaughter levy.

Division 20—Farmed prawns

This Division imposes two levies (**farmed prawns levy** and **white spot disease repayment levy**) on farmed prawns harvested in Australia, in specific circumstances. The levies were previously imposed on farmed prawns: see Schedule 27 to the 1999 Excise Levies Act and Schedule 27 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of farmed prawns levy and white spot disease repayment levy:

- ***Australian Kuruma prawn*** is defined in subclause 20-1(7) of Schedule 1 to the Regulations.
- ***banana prawn*** is defined in subclause 20-1(4) of Schedule 1 to the Regulations.
- ***black tiger prawn*** is defined in subclause 20-1(5) of Schedule 1 to the Regulations.
- ***brown tiger prawn*** is defined in subclause 20-1(6) of Schedule 1 to the Regulations.
- ***Eastern school prawn*** is defined in subclause 20-1(8) of Schedule 1 to the Regulations.
- ***farmed prawns*** is defined in subclause 20-1(3) of Schedule 1 to the Regulations.
- ***process***, in relation to an animal product, is defined in subsection 7(2) of the Regulations. In relation to farmed prawns, it means the performance of an operation, except sorting, grading, packing, storage, transport, delivery, cleaning, or freezing.

Clause 20-1—Imposition of farmed prawns levy and white spot disease repayment levy

This clause imposes two levies on farmed prawns.

Subclause 20-1(1) imposes farmed prawns levy on farmed prawns if the farmed prawns are harvested in Australia and one of the following applies:

- the farmed prawns are delivered to a person in Australia by the person who owns the farmed prawns immediately after they are harvested;
- the farmed prawns are sold by the person who owns the farmed prawns immediately after they are harvested;
- the farmed prawns are processed by or for the person who owns the farmed prawns immediately after they are harvested.

A note to this subclause explains that amounts equal to farmed prawns levy received by or on behalf of the Commonwealth are to be paid to the Fisheries Research and Development Corporation under the *Primary Industries Levies and Charges Disbursement Act 2024* (Disbursement Act), for spending on research and development activities for the benefit of the farmed prawn industry.

Subclause 20-1(2) imposes white spot disease repayment levy on farmed prawns if the farmed prawns are harvested in Australia and one of the following applies:

- farmed prawns are delivered to a person in Australia by the person who owns the farmed prawns immediately after they are harvested;
- the farmed prawns are sold by the person who owns the farmed prawns immediately after they are harvested;
- the farmed prawns are processed by or for the person who owns the farmed prawns immediately after they are harvested.

A note to this subclause explains that amounts equal to white spot disease repayment levy received by or on behalf of the Commonwealth are initially retained by the Commonwealth to repay the government-underwritten assistance package provided to prawn farmers affected by white spot disease in the Logan River area of Queensland. It explains that after the farmed prawn industry's liability to the Commonwealth is repaid, the amounts are to be paid to the Fisheries Research and Development Corporation under the Disbursement Act.

The effect of this clause is that both levies are imposed on the same farmed prawns.

This clause defines the following terms:

- ***farmed prawns*** is defined in subclause 20-1(3) as banana prawns, black tiger prawns, brown tiger prawns, Australian Kuruma prawns or Eastern school prawns that are produced by aquaculture.
- ***banana prawn*** is defined in subclause 20-1(4) by reference to its scientific names.
- ***black tiger prawn*** is defined in subclause 20-1(5) by reference to its scientific name.
- ***brown tiger prawn*** is defined in subclause 20-1(6) by reference to its scientific name.
- ***Australian Kuruma prawn*** is defined in subclause 20-1(7) by reference to its current and former scientific names.
- ***Eastern school prawn*** is defined in subclause 20-1(8) by reference to its scientific name.

Clause 20-2—Exemptions from the levy

This clause exempts farmed prawns from levy in four cases.

- Subclause 20-2(1) exempts farmed prawns from both levies if they are delivered by the person who owns the farmed prawns immediately after they are harvested to another person for storage.
- Subclause 20-2(2) exempts farmed prawns from farmed prawns levy if that levy has previously been imposed on them. The effect of the exemption is that farmed prawns levy can only be imposed on particular farmed prawns once.
- Subclause 20-2(3) exempts farmed prawns from white spot disease repayment levy if that levy under subclause 20-1(2) has previously been imposed on them. The effect of the exemption is that white spot disease repayment levy can only be imposed on particular farmed prawns once.
- Subclause 20-2(4) exempts from both levies farmed prawns that are sold or processed after being exported from Australia.

Clause 20-3—Rate of the levy

Subclause 20-3(1) prescribes the farmed prawns levy rate.

Item 1 of the table in this subclause prescribes: the research and development component. The farmed prawns levy rate is the single component amount.

Subclause 20-3(2) prescribes the white spot disease repayment levy rate.
Item 1 of the table in this subclause is the amount of the white spot disease repayment levy.

For each levy, the rate is worked out as an amount per kilogram of farmed prawns, weighed before any part of the prawn is removed.

Clause 20-4—Levy payer

This clause provides that the person who owns the farmed prawns immediately after they are harvested is liable to pay the farmed prawns levy and the white spot disease repayment levy.

Clause 20-5—Application provision

Clause 20-5 provides that subclause 20-1(1) or (2) applies in relation to farmed prawns that are delivered, sold or processed on or after 1 July 2025, whether the farmed prawns are harvested before, on or after that day.

Division 21—Game animals

This Division imposes a levy (**game animal processing levy**) on game animals processed in Australia, in specific circumstances. Levy was previously imposed on game animals: see Schedule 5 to the 1998 NRS Excise Levy Act and Part 7 of the 1998 NRS Regulations.

Key definitions for the imposition of game animal processing levy:

- ***game animal*** is defined in subclause 21-1(2) of Schedule 1 to the Regulations.
- ***process*** in relation to an animal product, is defined in subsection 7(2) of the Regulations. In relation to game animals, it means the performance of an operation, except sorting, grading, packing, storage, transport or delivery.
- ***processing establishment*** is defined in section 5 of the Regulations. In relation to game animals, it means a business premises at which a process in relation to game animals is performed.
- ***proprietor*** is defined in section 5 of the Regulations. In relation to a processing establishment, it means the person carrying on the business conducted at the processing establishment.

Clause 21-1—Imposition of game animal processing levy

Subclause 21-1(1) imposes levy on the processing, at a processing establishment in Australia, of game animals killed in their habitat by a shot from a firearm. The game animal must be for human consumption, whether that consumption is intended to occur in or outside Australia. A note to this subclause explains that some operations, such as identification of the game animals or bleeding, field dressing or cooling of the carcases, may occur in the field before the carcases are delivered to the processing establishment. These operations are not covered by subclause 21-1(1) because they do not occur at the processing establishment. There are no exemptions from the levy on game animals.

The term ***game animal*** is defined in subclause 21-1(2) as a pig or goat.

Clause 21-2—Rate of the levy

Clause 21-2 prescribes the game animal processing levy rates in two cases: for pigs and for goats.

Item 1 and 2 of the table in this clause prescribe the National Residue Survey component by reference to an amount per carcase.

In each case, the game animal processing levy rate is the single component amount.

Clause 21-3—Levy payer

This clause provides that the proprietor of the processing establishment is liable to pay the game animal processing levy.

Clause 21-4—Application provision

Clause 21-4 provides that clause 21-1 applies in relation to the processing of game animals on or after 1 July 2025, whether the game animals were killed before, on or after that day.

Division 22—Macropods

This Division imposes a levy (**macropod processing levy**) on macropods processed in Australia, in specific circumstances. Levy was previously imposed on macropods and game kangaroos: see Schedule 27 to the 1999 Excise Levies Act; Schedule 27 to the 1999 Excise Levies Regulations; Schedule 5 to the 1998 NRS Excise Levy Act and Part 7 of the 1998 NRS Regulations.

Key definitions for the imposition of macropod processing levy:

- ***macropod*** is defined in subclause 22-1(2) of Schedule 1 to the Regulations.
- ***process***, in relation to an animal product, is defined in subsection 7(2) of the Regulations. In relation to macropods, it means the performance of an operation, except sorting, grading, packing, storage, transport or delivery.
- ***processing establishment*** is defined in section 5 of the Regulations. In relation to macropods, it means a business premises at which a process in relation to macropods is performed.
- ***proprietor*** is defined in section 5 of the Regulations. In relation to a processing establishment, it means the person carrying on the business conducted at the processing establishment.

Clause 22-1—Imposition of macropod processing levy

Subclause 22-1(1) imposes levy on the processing, at a processing establishment in Australia, of macropods killed in their habitat by a shot from a firearm. The macropod must be for human consumption or animal consumption, whether that consumption is intended to occur in or outside Australia.

A note to this subclause explains that some operations, such as identification of the game animals or bleeding, field dressing or cooling of the carcases, may occur in the field before the carcases are delivered to the processing establishment. These operations are not covered by subclause 22-1(1) because they do not occur at the processing establishment.

The term ***macropod*** is defined in subclause 22-1(2) by reference to its scientific name.

Clause 22-2—Exemptions from the levy

This clause prescribes two exemptions from macropods processing levy:
Subclause 22-2(1) exempts from levy the processing of macropods that were killed:

- on premises owned or occupied by the proprietor of the processing establishment; and
- for consumption by the proprietor, by members of the proprietor's household, by the proprietor's employees or by animals owned by the proprietor; and
- for consumption on premises owned or occupied by the proprietor.

Subclause 22-2(2) exempts from levy the processing of macropods of two specific species, identified by their scientific names and common names**.**

Clause 22-3—Rate of the levy

Clause 22-3 prescribes the macropod processing levy rate in two cases: macropods processed for human consumption and macropods processed for animal consumption.

Item 1 of the table in this clause prescribes the rate for macropods processed for human consumption in two cases: the research and development component and the National Residue Survey component.

- The research and development component (paragraph 1(a) of the table) applies to any macropods. The component is an amount per carcase of any macropods (including kangaroos) processed for human consumption.
- The National Residue Survey component (paragraph 1(b) of the table) applies solely to macropods that are kangaroos. This component is an amount per carcase of kangaroos processed for human consumption.

Consequently, the macropod processing levy rate for human consumption for macropods other than kangaroos is the single component amount prescribed in item 1(a) of the table. The macropod processing levy rate for human consumption for macropods that are kangaroos is worked out by adding together the two components in item 1(a) and (b) of the table.

Item 2 of the table prescribes the macropod processing levy rate for macropods processed for animal consumption with a single component: the research and development component. This component is an amount per carcase of any macropods (including kangaroos) processed for animal consumption. In this case, the macropod processing levy rate is the single component amount.

Clause 22-4—Levy payer

This clause provides that the proprietor of the processing establishment is liable to pay the macropod processing levy.

Clause 22-5—Application provision

Clause 22-5 provides that clause 22-1 applies in relation to the processing of macropods on or after 1 July 2025, whether the macropods were killed before, on or after that day.

Division 23—Ratites

This Division imposes a levy (**ratite slaughter levy**) on ratites slaughtered in Australia, in specific circumstances. Levy was previously imposed on ratites: see Schedule 27 to the 1999 Excise Levies Act; Schedule 27 to the 1999 Excise Levies Regulations; Schedule 14 to the 1998 NRS Excise Levy Act and Part 16 of the 1998 NRS Regulations.

Key definitions for the imposition of the ratite slaughter levy:

- ***emu*** is defined in subclause 23-1(3) of Schedule 1 to the Regulations.
- ***ostrich*** is defined in subclause 23-1(4) of Schedule 1 to the Regulations.
- ***ratite*** is defined in subclause 23-1(2) of Schedule 1 to the Regulations.

Clause 23-1—Imposition of ratite slaughter levy

Subclause 23-1(1) imposes levy on the slaughter of ratites in Australia at an abattoir. The slaughter must be for human consumption, whether that consumption is intended to occur in or outside Australia. An abattoir can include a place where a mobile business performs abattoir services in Australia.

This clause defines the following terms:

- ***ratite*** is defined in subclause 23-1(2) as an emu or ostrich.
- ***emu*** is defined in subclause 23-1(3) by reference to its scientific name.
- ***ostrich*** is defined in subclause 23-1(4) by reference to its scientific name.

Clause 23-2—Exemptions from the levy

This clause exempts from levy the slaughter of ratites whose carcases are condemned or rejected as being unfit for human consumption under a Commonwealth, a State or a Territory law.

Clause 23-3—Rate of the levy

This clause prescribes the ratite slaughter levy rate in two cases: for emus and for ostriches. Item 1 of the table in this clause prescribes the levy rate for emus with a single component:

- the National Residue Survey component.

The component is an amount per head of emus. In the emu case, the ratite slaughter levy rate is the single component amount.

Item 2 of the table prescribes the levy rate for ostriches with two components:

- the research and development component; and
- the National Residue Survey component.

Each component is an amount per head of ostriches. In the ostrich case, the ratite slaughter levy rate is worked out by adding together the two components. The research and development component for ostriches is set to nil following consultation with industry, with the possibility there may be an increase at a later date.

Clause 23-4—Levy payer

This clause provides that the person who owns the ratites at the time of the slaughter is liable to pay the ratite slaughter levy.

Clause 23-5—Application provision

Clause 23-5 provides that clause 23-1 applies in relation to the slaughter of ratites on or after 1 July 2025.

Schedule 2—Plants and plant products

Part 2-1—Crops

Division 24—Introduction

Clause 24-1—Simplified outline of this Part

This clause provides a simplified outline of Part 2-1. It summarises key features of the levies imposed under this Part: the cotton fibre levy; the grain levy; the pasture seed levy; the rice levy; and the sugarcane levy.

Division 25—Cotton

This Division imposes a levy (**cotton fibre levy**) on cotton fibre produced in Australia from seed cotton harvested in Australia. Levy was previously imposed on cotton: see Schedules 5 and 27 to the 1999 Excise Levies Act and Schedule 5 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of cotton fibre levy:

- ***cotton fibre*** is defined in subclause 25-1(2) of Schedule 2 to the Regulations.
- ***cotton plant*** is defined in subclause 25-1(4) of Schedule 2 to the Regulations**.**
- ***seed cotton*** is defined subclause 25-1(3) of Schedule 2 to the Regulations.

Clause 25-1—Imposition of cotton fibre levy

Subclause 25-1(1) imposes levy on cotton fibre that is produced in Australia from seed cotton that is harvested in Australia. There are no exemptions from the levy on cotton fibre.

This clause defines the following terms:

- ***cotton fibre*** is defined in subclause 25-1(2) as the natural fibrous hairs that are obtained from seed cotton by separating the hairs from the seeds.
- ***seed cotton*** is defined subclause 25-1(3) as the seed with the natural fibrous hairs attached, harvested from the ripened bolls of the cotton plant.
- ***cotton plant*** is defined in subclause 25-1(4) by reference to its scientific name.

Clause 25-2—Rate of the levy

Clause 25-2 prescribes the cotton fibre levy rate.

Item 1 of the table in this clause prescribes the levy rate with three components:

- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

Item 1 of the table prescribes each component amount with reference to 227 kilograms of cotton fibre, which is the weight of the industry standard cotton bale. The cotton fibre levy rate is worked out by adding together the three components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 25-3—Levy payer

Clause 25-3 provides that the person who owns the seed cotton immediately before the cotton fibre is produced is liable to pay the cotton fibre levy.

Clause 25-4—Application provision

Clause 25-4 provides that clause 25-1 applies in relation to cotton fibre that is produced on or after 1 July 2025, whether the seed cotton is harvested before, on or after that day.

Division 26—Grain

This Division imposes a levy (**grain levy**) on four types of grains harvested in Australia, in specific circumstances. Levy was previously imposed on:

- coarse grains: see Schedules 4 and 27 to the 1999 Excise Levies Act and Schedule 4 to the 1999 Excise Levies Regulations; Schedule 2 to the 1998 NRS Excise Levy Act and Part 4 of the 1998 NRS Regulations
- grain legumes: see Schedules 12 and 27 to the 1999 Excise Levies Act and Schedule 12 to the 1999 Excise Levies Regulations; Schedule 6 to the 1998 NRS Excise Levy Act and Part 8 of the 1998 NRS Regulations
- oilseeds: see Schedules 20 and 27 to the 1999 Excise Levies Act and Schedule 20 to the 1999 Excise Levies Regulations; Schedule 13 to the 1998 NRS Excise Levy Act and Part 15 of the 1998 NRS Regulations
- wheat: see Schedules 25 and 27 to the 1999 Excise Levies Act and Schedule 25 to the 1999 Excise Levies Regulations; Schedule 16 to the 1998 NRS Excise Levy Act and Part 18 of the 1998 NRS Regulations.

Key definitions for the imposition of grain levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to grain, it means a person who buys grain from grain levy payers in the course of carrying on a business.
- ***coarse grains*** is defined in subclause 26-1(6) of Schedule 2 to the Regulations.
- ***grain*** is defined in subclause 26-1(4) of Schedule 2 to the Regulations.
- ***grain legumes*** is defined in subclause 26-1(8) of Schedule 2 to the Regulations.
- ***oilseeds*** is defined in subclause 26-1(7) of Schedule 2 to the Regulations.

- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to grain, it means the performance of an operation in relation to the grain, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery, treatment with a pesticide or another preserving agent, or drying or aerating.
- ***value*** of grain is defined in clause 26-5 of Schedule 2 to the Regulations.
- ***wheat*** is defined in subclause 26-1(5) of Schedule 2 to the Regulations.

Clause 26-1—Imposition of grain levy

Subclause 26-1(1) imposes levy on grain harvested in Australia that is:

- sold to a business purchaser (whether directly or through a selling agent or buying agent or both) by the person who owns the grain immediately after it is harvested; or
- processed by or for the person who owns the grain immediately after it is harvested.

Subclause 26-1(2) provides that a process carried out in preparation of grain for sale is not processing for the purpose of subclause 26-1(1): in this case, the levy will only apply to the sale of the grain.

Subclause 26-1(3) provides that grain levy does not apply to popping corn.

This clause defines the following terms:

- ***grain*** is defined in subclause 26-1(4) as wheat, coarse grains, oilseeds or grain legumes.
- ***wheat*** is defined in subclause 26-1(5) as the seeds of a plant identified by reference to its scientific name.
- ***coarse grains*** is defined in subclause 26-1(6) as the seeds of a plant identified by reference to its scientific name covered by column 2 of an item of the table in subclause 26-4(1). Common names are listed in column 1 of the table.
- ***oilseeds*** is defined in subclause 26-1(7) as the seeds of a plant identified by reference to scientific names covered by column 2 of an item of the table in subclause 26-4(2). Common names are listed in column 1 of the table.
- ***grain legumes*** is defined in subclause 26-1(8) as the seeds of a plant identified by reference to scientific names covered by column 2 of an item of the table in subclause 26-4(3). Common names are listed in column 1 of the table.

Clause 26-2—Exemptions from the levy

This clause provides for 10 exemptions from grain levy.

There are 2 exemptions that apply in specific grain processing cases.

- Subclause 26-2(1) exempts from levy grain processed by or for the owner, if the grain, as processed, is kept by the owner as seed for sowing.
- Subclause 26-2(2) exempts from levy grain processed by or for the owner if the owner uses all the products and by products of the processing for domestic purposes (and not for commercial purposes).

There are 8 threshold exemptions that apply in specific circumstances if the owner of grains would otherwise be liable to pay, in a financial year, a total levy amount that is less than $25. A threshold exemption is prescribed for each type of grain that is sold by the owner and for each type of grain processed by or for the owner.

- Subclause 26-2(3) exempts from levy wheat sold by the owner if the total amount of grain levy they would otherwise be liable to pay on wheat sold in that financial year is less than $25.
- Subclause 26-2(4) exempts from levy wheat processed in a financial year by or for the owner if the total amount of grain levy they would otherwise be liable to pay on wheat processed in that year is less than $25.
- Subclauses 26-2(5) to (10) provide corresponding threshold exemptions for coarse grains, oilseeds and grain legumes. In each case, the exemption applies:
    - to product sold by its owner in a financial year if the total amount of levy that would otherwise be payable by the owner in that year on that product sold is less than $25; and
    - to product that is processed by or for the owner in a financial year if the total amount of levy that would otherwise be payable by the owner in that year on product processed is less than $25.

These exemptions support the efficient and cost-effective collection of levy by exempting non-commercial processing of grain by or for the person who owns the grain immediately after it is harvested (the ***owner***) and by exempting sales and processing on which the owner would be liable for amounts of levy below thresholds set following consultation with industry.

Clause 26-3—Rate of the levy

Wheat

Subclause 26-3(1) prescribes the grain levy rate for wheat with four components:

- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

Each component is calculated as a specified percentage of the value of the wheat.
The grain levy rate for wheat is worked out by adding together the four components.

Subclauses 26-3(2), (3) and (4) tell the reader that the rate of the grain levy on coarse grains, oilseeds and grain legumes is worked out in using the tables in subclause 26-4(1), (2) and (3) respectively.

Clause 26-4—Tables of plant genus or species and levy rates

Coarse grains

Subclause 26-4(1) prescribe the grain levy rate for specific types of coarse grains with various components for the purposes of subclause 26-3(2).

For *barley*, *grain sorghum, oats* and *triticale*, item 1 of the table in subclause 26-4(1), and for *maize*, item 3 of the table, prescribe the grain levy rate with four components:

- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

Each component is calculated as a specified percentage of the value of the type of coarse grain concerned. In each case, the grain levy rate is worked out by adding together the four components.

For *canary seed*, *cereal rye* and *millet*, item 2 of the table prescribes the grain levy rate with three components:

- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

Each component is calculated as a specified percentage of the value of the type of coarse grain concerned. In each case, the grain levy rate is worked out by adding together the three components.

Oilseeds

Subclause 26-4(2) prescribes the grain levy rate for specific types of oilseeds with various components for the purposes of subclause 26-3(3).

For *linseed, rape seed, safflower seed, soybean* and *sunflower seed*, item 1 of the table in subclause 26-4(2) prescribes the grain levy rate with four components:

- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

Each component is calculated as a specified percentage of the value of the type of oilseeds concerned. In each case, the grain levy rate is worked out by adding together the four components.

Grain legumes

Subclause 26-4(3) prescribes the grain levy rate for specific types of grain legumes with various components for the purposes of subclause 26-3(4).

For *chickpeas*, *cowpeas*, *common beans*, *common vetch*, *faba beans*, *field peas*, *lentils*, *lupins, mung beans, pigeon peas* and *wild cowpeas*, item 1 of the table in subclause 26-4(3) prescribes the grain levy rate with four components:

- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

Each component is calculated as a specified percentage of the value of the type of grain legumes concerned. In each case, the grain levy rate is worked out by adding together the four components.

For *black gram* and *peanuts*, item 2 of the table prescribes the grain levy rate with three components:

- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

Each component is calculated as a specified percentage of the value of the type of grain legumes concerned. In each case, the grain levy rate is worked out by adding together the four components.

Clause 26-5—Value of grain

Clause 26-5 defines the ***value*** of grain as:

- *for grain that is sold other than for sowing*:
    - for grain not sold in a pool—the sale price of the grain, excluding handling, storage, transport costs and free on board costs; or
    - for a quantity of grain sold in a pool—the amount paid for that quantity of grain, excluding handling, storage, transport costs and free on board costs; or
- *for grain that is sold for sowing*—the market value of the grain, if it were not grain for sowing, on the day the grain is sold; or
- *for grain that is processed*—the market value of the grain on the day it begins to be processed.

A note to clause 26-5 explains that, under section 22 of the Act the sale price of grain, or the amount paid for the grain, does not include the net GST.

Clause 26-6—Levy payer

This clause provides that the person who owns the grain immediately after it is harvested is liable to pay the grain levy.

Clause 26-7—Application provision

Clause 26-7 provides that clause 26-1 applies to in relation to grain that is sold or processed on or after 1 July 2025, whether the grain is harvested before, on or after that day.

Division 27—Pasture seeds

This Division imposes a levy (**pasture seed levy**) on pasture seeds harvested and certified in Australia, in specific circumstances. Levy was previously imposed a levy on pasture seeds: see Schedule 21 to the 1999 Excise Levies Act.

Key definitions for the imposition of pasture seed levy:

- ***certification scheme*** is defined in subclause 27-1(3) of Schedule 2 to the Regulations.
- ***pasture seeds*** is defined in subclause 27-1(2) of Schedule 2 to the Regulations.

Clause 27-1—Imposition of pasture seed levy

Subclause 27-1(1) imposes levy on pasture seeds that are harvested in Australia and certified under a certification scheme. Pasture seeds that are not certified are not the subject of the levy. There are no exemptions from the pasture seed levy.

This clause defines the following terms:

- ***pasture seeds*** is defined in subclause 27-1(2) as the seeds of plants of various species identified by their scientific names and common names in the table in clause 27-3;
- ***certification scheme*** is defined in subclause 27-1(3) as any of:
    - the Organisation for Economic Cooperation and Development Seed Schemes for the Varietal Certification of Seed;
    - the Australian Seed Certification Scheme;
    - the Association of Official Seed Certifying Agencies seed certification program.

Clause 27-2—Rate of the levy

This clause tells the reader that the levy rate is worked out using the table in clause 27-3.

Clause 27-3—Table of pasture seeds species and levy rates

This clause prescribes the pasture seeds levy rate in three cases each with one component: research and development component.

- Item 1 of the table in this clause lists eight types of medic and yellow serradella with the same rate per tonne.

- Item 2 of the table lists nine types of clover and lucerne with the same rate per tonne.
- Item 3 of the table lists one type of clover at a rate per tonne.

In each case, the pasture seed levy rate is the single component amount.

Clause 27-4—Levy payer

This clause provides that the person who owns the pasture seeds immediately before they are harvested is liable to pay the pasture seed levy.

Clause 27-5—Application provision

Clause 27-5 provides that clause 27-1 applies in relation to pasture seeds that are certified under a certification scheme on or after 1 July 2025, whether the pasture seeds are harvested before, on or after that day.

Division 28—Rice

This Division imposes a levy (**rice levy**) on rice harvested in Australia, in specific circumstances. Levy was previously imposed on rice: see Schedules 23 and 27 to the 1999 Excise Levies Act and Schedule 23 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of rice levy:

- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to rice, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.
- ***processing establishment*** is defined in section 5 of the Regulations. In relation to rice, it means a business premises at which a process in relation to rice is performed.
- ***rice*** is defined in subclause 28-1(2) of Schedule 2 to the Regulations.

Clause 28-1—Imposition of rice levy

Subclause 28-1(1) imposes levy on rice that is harvested in Australia and delivered to a processing establishment in Australia.

There are no exemptions from the rice levy.

The term ***rice*** is defined in subclause 28-1(2) by reference to its scientific name.

Clause 28-2—Rate of the levy

Clause 28-2 specifies the rice levy rate.

Item 1 of the table in this clause prescribes three components:

- the research and development component;
- the biosecurity activity component; and

- the biosecurity response component.

The rice levy rate is worked out by adding together the three components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 28-3—Levy payer

This clause identifies the person liable to pay the rice levy in two cases.

- Paragraph 28-3(a) provides that the person who owns the rice immediately after it is harvested is liable to pay the levy unless paragraph (b) applies.
- Paragraph 28-3(b) provides that where a law of a State, Australian Capital Territory or Northern Territory vests the rice in a person or body, or in the Crown in right of the State or Territory, at or before the time the rice is harvested, the person who would, but for that law, have owned the rice immediately after it is harvested is liable to pay the levy.

This subclause ensures that the levy payer is the person who owns the rice immediately after it is harvested, or if a law vested the rice in another person, body or in the Crown, the person who would have owned the rice immediately after it is harvested but for that law. This vesting may occur, for example, under a statutory marketing scheme.

Clause 28-4—Application provision

Clause 28-4 provides that clause 28-1 applies in relation to rice that is delivered to a processing establishment on or after 1 January 2025, whether the rice is harvested before, on or after that day.

Division 29—Sugarcane

This Division imposes a levy (**sugarcane levy**) on sugarcane harvested in Australia, in specific circumstances. Levy was previously imposed on sugarcane: see Schedules 24 and 27 to the 1999 Excise Levies Act and Schedule 24 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of sugarcane levy:

- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to sugarcane, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.
- ***processing establishment*** is defined in section 5 of the Regulations. In relation to sugarcane, it means a business premises at which a process in relation to sugarcane is performed.
- ***sugarcane*** is defined in subclause 29-1(3) of Schedule 2 to the Regulations.
- ***sugarcane plant*** is defined in subclause 29-1(4) of Schedule 2 to the Regulations.
- ***sugarcane season*** is defined in subclause 29-2(3) of Schedule 2 to the Regulations.

Clause 29-1—Imposition of sugarcane levy

Subclause 29-1(1) imposes levy on sugarcane if it is harvested in Australia and:

- sold to a processor for processing at a processing establishment in Australia (paragraph 29-1(1)(a)) (the sale case); or
- processed by a processor at a processing establishment in Australia (paragraph 29-1(1)(b)) (the processing case).

A note to this subclause points out that the processing case in paragraph 29-1(1)(b) covers circumstances where the processor also owns the sugarcane and circumstances where the processor carries out processing for another owner.

Subclause 29-1(2) provides that for the purposes of the levy imposed by subclause 29-1(1) on sugarcane sold to a processor, the sugarcane is taken to be sold when the first payment for it is made, whether that is a part payment or full payment.

This clause defines the following terms:

- ***sugarcane*** is defined in subclause 29-1(3) as the stalks (whole or not) of the sugarcane plant, or the stalks (whole or not) and leaves of the sugarcane plant.
- ***sugarcane plant*** is defined in subclause 29-1(4) by reference to its scientific name and includes any hybrids within that genus.

Clause 29-2—Exemptions from the levy

This clause exempts sugarcane from levy where it is sold to, or processed at, a processing establishment that processes less than 3,000 tonnes of sugarcane in the sugarcane season. The exemption supports the efficient and cost-effective collection of the levy by exempting from levy sugarcane that is sold to or processed at a processing establishment that processes less than a threshold quantity set following consultation with industry.
The term ***sugarcane season*** is defined in subclause 29-2(3) as the period from 1 March in a calendar year to the end of the last day of February in the next calendar year.

Clause 29-3—Rate of the levy

Clause 29-3 prescribes the sugarcane levy rate.

Item 1 of the table in this clause prescribes two components:

- the research and development component and
- the biosecurity response component.

The sugarcane levy rate is worked out by adding together the two components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the amount of the component, in the event of a relevant biosecurity response. This provides certainty for industry and the Commonwealth that a biosecurity component amount can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 29-4—Levy payer

This clause identifies the persons liable to pay the sugarcane levy in the sale case and the processing case. In each case, the levy payer, and the proportion of the levy they are liable to pay, is prescribed for each component.

Item 1 of the table in this clause prescribes the levy payer in the sale case.

- For the research and development component, paragraph 1(a) prescribes that the person who sold the sugarcane to the processor, and the processor, are each liable to pay 50% of the component.
- For the biosecurity response component, paragraph 1(b) prescribes that the person who sold the sugarcane to the processor is liable to pay 100% of the component.

Item 2 of the table prescribes the levy payer in the processing case.

- For the research and development component, paragraph 2(a) prescribes that the person who owns the sugarcane at the time at which the sugarcane begins to be processed at the processing establishment, and the processor, are each be liable to pay 50% of the component.
- For the biosecurity response component, paragraph 2(b) prescribes that the person who owns the sugarcane at the time at which the sugarcane begins to be processed at the processing establishment is liable to pay 100% of the component.

A note to this clause explains that, for item 2, if the processor also owns the sugarcane, the processor is liable to pay 100% of the levy.

Clause 29-5—Application provision

Subclause 29-5(1) provides that paragraph 29-1(1)(a) applies in relation to sugarcane that is sold on or after 1 March 2025, whether the sugarcane is harvested before, on or after that day.

Subclause 29-5(2) provides that paragraph 29-1(1)(b) applies in relation to sugarcane that is processed on or after 1 March 2025, whether the sugarcane is harvested before, on or after that day.

Part 2-2—Forestry

Division 30—Introduction

Clause 30-1—Simplified outline of this Part

This clause provides a simplified outline of Part 2-2. It summarises key features of the forest growers levy and the forest industries products levy, which are imposed under this Part.

Division 31—Forest growers levy

This Division imposes a levy (**forest growers levy**) on logs that are produced from trees felled in Australia, in specific circumstances. Levy was previously imposed on logs: see

Schedule 27 to the 1999 Excise Levies Act and Schedule 27 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of forest growers levy:

- ***plantation*** is defined in subclause 31-3(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to logs, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery or debarking.
- ***processing establishment*** is defined in section 5 of the Regulations. In relation to logs, it means business premises at which a process in relation to the logs is performed.
- ***proprietor***, is defined in section 5 of the Regulations. In relation to a processing establishment, it means the person carrying on the business conducted at the premises.

Clause 31-1—Imposition of forest growers levy

Clause 31-1 imposes levy on logs that are produced from trees felled in Australia if the logs are sold by the person who owns the logs immediately after the trees are felled or are processed for a commercial purpose by or for that person.

Clause 31-2—Exemptions from the levy

This clause exempts logs from forest growers levy in four cases.

- Subclause 31-2(1) exempts from levy logs produced from trees grown on a farm operated by the proprietor of a processing establishment, if the logs are processed at the establishment or woodchipped in the field, and the products and by products of processing are for use on that farm.
- Subclause 31-2(2) exempts from levy logs processed for the purpose of producing fuel wood.
- Subclause 31-2(3) exempts from levy logs produced from trees felled as a part of landscaping or because the trees were a safety hazard, and the logs are processed on site.
- Subclause 31-2(4) exempts from levy logs that, in a financial year, are:
  - sold by the person who owns the logs immediately after the trees are felled; or
  - processed for a commercial purpose by or for that person;

  if the total quantity of logs sold by that person, together with the total quantity processed for a commercial purpose by or for that person, in the financial year is less than 20,000 m^3.

Subclause 31-2(5) clarifies that the exemption in subclause 31-2(4) does not apply to logs that have been the subject of an exemption under subclauses 31-2(1), (2) or (3). The effect of subclause 31-2(5) is that logs that are exempt from levy under subclauses 31-2(1), 31-2(2) or 31-2(3) are not counted towards the 20,000 m^3 levy threshold.

Clause 31-3—Rate of the levy

Subclause 31-3(1) prescribes forest growers levy rates in two cases: for logs felled in a plantation and for logs produced from other trees.

Item 1 of the table in this subclause prescribes the levy rate for logs produced from trees felled in a plantation with four components:

- the general component;
- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

Each component is an amount per cubic metres of logs. In this case, the forest growers levy rate is worked out by adding together the four components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a payment (including repayment) mechanism is in place if required.

Item 2 of the table prescribes the levy rate for all other logs with two components:

- the general component; and
- the research and development component.

Each component is an amount per cubic metre of logs. For all other logs, the forest growers levy rate is worked out by adding together the two components.

Subclause 31-3(2) defines ***plantation*** as an intensively managed stand of trees of either native or exotic species that is created by the regular placement of seedlings or seeds.

Clause 31-4—Levy payer

This clause provides that the person who owns the logs immediately after the trees are felled is liable to pay the forest growers levy.

Clause 31-5—Application provision

Clause 31-5 provides that clause 31-1 applies in relation to logs that are sold or processed on or after 1 July 2025, whether the logs are produced before, on or after that day.

Division 32—Forest industries products

This Division imposes a levy (**forest industries products levy**) on logs that are produced from trees felled in Australia, in specific circumstances. Levy was previously imposed on logs: see Schedule 10 to the 1999 Excise Levies Act and Schedule 10 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of forest industries products levy:

- ***process***, in relation to a plant product*,* is defined in subsection 7(1) of the Regulations. In relation to logs, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery or debarking.
- ***processing establishment*** is defined in section 5 of the Regulations. In relation to logs, it means business premises at which a process in relation to the logs is performed.
- ***proprietor*** defined in section 5 of the Regulations. In relation to a processing establishment, it means the person carrying on the business conducted at the premises.

Clause 32-1—Imposition of forest industries products levy

Clause 32-1 imposes levy on logs produced from trees felled in Australia if:

- the logs are processed at a processing establishment in Australia for a commercial purpose; or
- the logs are turned into woodchips in the field and the woodchips are delivered to a processing establishment in Australia for a commercial purpose.

Clause 32-2—Exemptions from the levy

This clause exempts logs from forest industries products levy in four cases.

- Subclause 32-2(1) exempts from levy logs produced from trees grown on a farm operated by the proprietor of the processing establishment if the products and byproducts of processing or wood chipping- are for use on that farm.
- Subclause 32-2(2) exempts logs from levy if they are processed or woodchipped for the purpose of producing fuel wood.
- Subclauses 32-2(3) and (4) exempt logs from levy if, apart from subclause 32-2(3) and the provisions covered by subclause 32-2(4), the total of:
    - forest industries products levy (i.e. the levy imposed under this Division);
    - forest industries export charge under the Charges Regulations; and
    - forest products import charge under the Charges Regulations;

  that a proprietor of the processing establishment would be liable to pay in relation to a financial year that has ended is less than $330. The exemption operates after the end of the relevant financial year in relation to that year. This supports the efficient and cost-effective collection of the levy by not requiring proprietors to pay levy who would otherwise have a combined levy and charge liability below a threshold set following consultation with industry.
- Subclause 32-2(5) exempts logs from levy if forest industries products levy has previously been imposed on them. This ensures that logs are subject to the levy only once, including, for example, if they are moved between processing establishments.

Clause 32-3—Rate of the levy

Subclause 32-3(1) prescribes the forest industries products levy rate for eleven classes of logs.

Each item of the table in this subclause prescribes the levy rate for a class of logs with a single component: the general component. The general component is worked out for each class of logs based on the volume of logs in cubic metres. If more than one item in the table covers a class of logs, subclause 32-3(2) provides that the first item in the table that covers the class should be applied.

Items 9 and 10 of the table prescribe two classes of logs with a nil rate set following consultation with industry. Item 11 of the table prescribes a class of logs, 'any other logs' with a nil rate. This class of logs is designed to cover logs not otherwise referred to in the table.

The forest industries products levy rate is the single component amount.

Clause 32-4—Levy payer

This clause provides that the proprietor of the processing establishment is liable to pay the forest industries products levy.

Clause 32-5—Application provision

Paragraph 32-5(a) provides that clause 32-1 applies in relation to the processing of logs on or after 1 July 2025 whether the logs were produced before, on or after that day.

Paragraph 32-5(b) provides that clause 32-1 applies in relation to the delivery of woodchips on or after 1 July 2025, whether the logs were produced, or turned into woodchips, before, on or after that day.

Part 2-3—Horticulture

Division 35—Introduction

Clause 35-1—Simplified outline of this Part

This clause provides a simplified outline of Part 2-3. It notes that levies are imposed on various horticultural products in this Part and summarises key features generally found in these levies.

Division 36—Agaricus mushrooms

This Division imposes a levy (**Agaricus mushroom levy**) on mushroom spawn produced or purchased for use in commercial mushroom production, in specific circumstances. Levy was previously imposed on Agaricus mushrooms: see Schedule 15 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of Agaricus mushroom levy:

- ***mushroom spawn*** is defined in subclause 36-1(3) of Schedule 2 to the Regulations.
- ***Agaricus mushroom*** is defined in subclause 36-1(4) of Schedule 2 to the Regulations.

Clause 36-1—Imposition of Agaricus mushroom levy

Clause 36-1 imposes the Agaricus mushroom levy on mushroom spawn in two cases.

- Subclause 36-1(1) imposes levy on mushroom spawn produced in Australia for use in the commercial production of Agaricus mushrooms in Australia by the person who produced the mushroom spawn.
- Subclause 36-1(2) imposes levy on mushroom spawn purchased by a person for use in the commercial production of Agaricus mushrooms in Australia. The levy is imposed whether the mushroom spawn was produced in or outside Australia. A note directs the reader to clause 36-5, which defines when mushroom spawn is taken to have been purchased.

This clause defines the following terms:

- ***mushroom spawn*** is defined in subclause 36-1(3) by reference to its scientific name, if it is contained in a medium and used in a specified way in the commercial production of Agaricus mushrooms.
- ***Agaricus mushroom*** is defined in subclause 36-1(4) by reference to its scientific name.

Clause 36-2—Exemptions from the levy

This clause exempts mushroom spawn from levy in two cases.

- Subclause 36-2(1) exempts mushroom spawn from levy where, in a financial year, the total amount that is produced or purchased by a person is more than 370,000 kilograms and the mushroom spawn is either or both of the following kinds:
    - mushroom spawn produced in Australia by the person in that year for use in the commercial production of Agaricus mushrooms in Australia by the person;
    - mushroom spawn purchased by the person in that year for use in the commercial production of Agaricus mushrooms in Australia.

    The effect of this subclause is that levy is not imposed on mushroom spawn produced or purchased for commercial production of mushrooms in Australia in excess of the threshold amount of 370,000 kilograms in a financial year.
- Subclause 36-2(2) exempts mushroom spawn from levy if levy has already been imposed on it. This ensures that mushroom spawn that is produced or purchased for use in the commercial production of mushrooms in Australia only has levy imposed once.

Clause 36-3—Rate of the levy

Clause 36-3 prescribes the Agaricus mushroom levy rate.

Item 1 of the table in this clause prescribes two components:

- the marketing component; and
- the research and development component.

The Agaricus mushroom levy rate is worked out by adding together the two components.

A note to this clause explains that, for a person who produces or purchases mushroom spawn in excess of the 370,000 kilogram threshold (see subclause 36-2(1)), the levy rate set out in this clause is used to work out the amount of levy payments payable by the person under Division 36 of Part 2-3 of Schedule 2 to the *Primary Industries Levies and Charges Collection Rules 2024*.

Clause 36-4—Levy payer

This clause identifies the person liable to pay the Agaricus mushroom levy in two cases.

- Subclause 36-4(1) provides that the producer of the mushroom spawn is liable to pay the levy imposed by subclause 36-1(1).
- Subclause 36-4(2) provides that the purchaser of the mushroom spawn is liable to pay the levy imposed by subclause 36-1(2).

Clause 36-5—When is mushroom spawn purchased?

This clause provides that, for the purposes of the Division, mushroom spawn is taken to be purchased when the first payment for it is made, whether that is a part payment or full payment. This clause clarifies when levy is payable in cases where a number of payments are made in the purchase of mushroom spawn.

Clause 36-6—Application provision

Clause 36-6 provides that clause 36-1 applies in relation to mushroom spawn produced or purchased on or after 1 July 2025.

Division 37—Almonds

This Division imposes a levy (**almond levy**) on almonds harvested in Australia, in specific circumstances. Levy was previously imposed on almonds: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of almond levy:

- ***almond*** is defined in subclause 37-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to almonds, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery, hulling or shelling.

Clause 37-1—Imposition of almond levy

Subclause 37-1(1) imposes levy on almonds that are harvested in Australia and are either sold by, or processed by or for, the person who owns the almonds immediately after they are harvested.

The term ***almond*** is defined in subclause 37-1(2) by reference to its scientific name.

Clause 37-2—Exemptions from the levy

Clause 37-2 exempts from levy almonds that are sold or processed after being exported from Australia.

Clause 37-3—Rate of the levy

This clause prescribes the almond levy rates in three cases: for almonds other than almonds of the Nonpareil variety in their shells; for almonds of the Nonpareil variety in their shells; and for almonds not in their shells.

Items 1, 2 and 3 of the table in this clause each prescribe two components:

- the research and development component; and
- the biosecurity response component.

In each case, the almond levy rate is worked out by adding together the two components.

Clause 37-4—Levy payer

This clause provides that the person who owns the almonds immediately after they are harvested is liable to pay the almond levy.

Clause 37-5—Application provision

Clause 37-5 provides that clause 37-1 applies in relation to almonds that are sold or processed on or after 1 July 2025, whether the almonds are harvested before, on or after that day.

Division 38—Apples and pears

This Division imposes a levy (**apple and pear levy**) on apples or pears harvested in Australia, in specific circumstances. Levy was previously imposed on apples and pears: see Schedules 15 and 27 to the 1999 Excise Levies Act, Schedule 15 to the 1999 Excise Levies Regulations, Schedule 9 to the 1998 NRS Excise Levy Act and Part 11 of the 1998 NRS Regulations.

Key definitions for the imposition of apple and pear levy:

- ***apple*** is defined in subclause 38-1(2) of Schedule 2 to the Regulations.
- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to apples and pears, it means a person who buys apples or pears from apple and pear levy payers in the course of carrying on a business.

- ***pear*** is defined in subclause 38-1(3) of Schedule 2 to the Regulations.
- ***process****,* in relation to a plant product*,* is defined in subsection 7(1) of the Regulations. In relation to apples and pears, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery or fruit conditioning operations, including ripening.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to apples and pears, it means any sale by the person except a sale to a business purchaser, whether through a selling agent, buying agent or both.

Clause 38-1—Imposition of apple and pear levy

Subclause 38-1(1) imposes levy on apples or pears that are harvested in Australia and are either sold by, or processed by or for, the person who owns the apples or pears immediately after they are harvested.

This clause defines the following terms:

- ***apple*** is defined in subclause 38-1(2) by reference to its scientific name.
- ***pear*** is defined in subclause 38-1(3) by reference to its scientific name. It does not include nashi.

Clause 38-2—Exemptions from the levy

This clause exempts apples or pears from levy in five cases.

- Subclause 38-2(1) exempts from levy apples or pears that are sold for stockfeed.
- Subclause 38-2(2) exempts from levy pears that are sold for processing, or that are processed, into dried pears.

  A note explains that levy is imposed on dried tree fruit under Division 45 of Part 2-3.
- Subclause 38-2(3) exempts from levy pears that are sold for processing, or that are processed, into canned fruit.
- Subclause 38-2(4) exempts from levy apples or pears that are sold or processed after being exported from Australia.
- Subclause 38-2(5) exempts from levy apples or pears that, in a calendar year, are sold by retail sale by, or processed by or for, the person who owns the apples or pears immediately after they are harvested if the total quantity so sold or processed is 9,000 kilograms or less.

Subclause 38-2(6) provides that apples or pears cannot be counted towards the threshold exemption in subclause 38-2(5) if they are exempt from levy under subclauses 38-2(1), (2) (3) or (4). This ensures that the threshold exemption only applies to apples and pears on which levy could otherwise be imposed. The exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales or processing below a threshold set previously following consultation with industry.

Clause 38-3—Rate of the levy

This clause prescribes apple and pear levy rates in two cases: for apples and for pears.

Subclause 38-3(1) prescribes the levy rates for apples. Each item of the table in this subclause prescribes the rate of levy for a different circumstance. Item 1 prescribes the levy rate for apples that are sold for processing, or that are processed, into fruit juice. Item 2 prescribes the levy rate for apples that are sold for processing, or that are processed, other than into fruit juice.

In this case, items 1 and 2 of the table in this subclause each prescribe four components:

- the marketing component;
- the research and development component;
- the biosecurity response component; and
- the National Residue Survey component.

In this case, the apple and pear levy rate is worked out by adding together the four components.

Item 3 of the table prescribes the levy rate for all other apples with five components:

- the marketing component;
- the research and development component;
- the biosecurity activity components;
- the biosecurity response component; and
- the National Residue Survey component.

In this case, the apple and pear levy rate is worked out by adding together the five components.

Subclause 38-3(2) prescribes the apple and pear levy rates for pears. Each item of the table in this subclause prescribes the rate of levy for a different circumstance.

Item 1 prescribes the levy rate for pears that are sold for processing, or that are processed, into fruit juice. Item 2 prescribes the levy rate for pears that are sold for processing, or that are processed, other than into fruit juice. Item 3 prescribes the rate of levy for all other pears.

Each item of the table prescribes four components:

- the marketing component;
- the research and development component;
- the biosecurity response component; and
- the National Residue Survey component.

For pears in each case, the apple and pear levy rate is worked out by adding together the five components.

For apples and pears that are sold for processing or that are processed (for any purpose), the biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 38-4—Levy payer

This clause provides that the person who owns the apples or pears immediately after they are harvested is liable to pay the apple and pear levy.

Clause 38-5—Application provision

Clause 38-5 provides that clause 38-1 applies in relation to apples or pears that are sold or processed on or after 1 January 2025, whether the apples or pears are harvested before, on or after that day.

Division 39—Avocados

This Division imposes a levy (**avocado levy)** on avocados harvested in Australia, in specific circumstances. Levy was previously imposed on avocados: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of avocado levy:

- ***avocado*** is defined in subclause 39-1(2) of Schedule 2 to the Regulations.
- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to avocados, it means a person who buys avocados from avocado levy payers in the course of carrying on a business.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to avocados, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery or fruit conditioning operations, including ripening.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to avocados, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both or to a consumer at a wholesale produce market.

Clause 39-1—Imposition of avocado levy

Subclause 39-1(1) imposes levy on avocados that are harvested in Australia and are either sold by, or processed by or for, the person who owns the avocados immediately after they are harvested.

The term ***avocado*** is defined in subclause 39-1(2) by reference to its scientific name.

Clause 39-2—Exemptions from the levy

This clause exempts avocados from levy in two cases.

- Subclause 39-2(1) exempts from levy avocados that are sold or processed after being exported from Australia.
- Subclause 39-2(2) exempts from levy avocados that, in a calendar year, are sold by retail sale by a person if the total avocado levy that would otherwise be payable by that person on those avocados is less than $100. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold set in consultation with industry.

Clause 39-3—Rate of the levy

Clause 39-3 prescribes avocado levy rates in two cases: avocados sold for processing or processed; and all other avocados that are sold.

Item 1 of the table in this clause prescribes the levy rate for avocados sold for processing or processed with two components:

- the research and development component; and
- the biosecurity response component.

In this case, the avocado levy rate is worked out by adding together the two components.

Item 2 in the table prescribes the levy rate for all other avocados that are sold (otherwise than for processing) with four components:

- the marketing component;
- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

In this case, the avocado levy rate is worked out by adding together the four components.

In each case the biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 39-4—Levy payer

This clause provides that the person who owns the avocados immediately after they are harvested is liable to pay the avocado levy.

Clause 39-5—Application provision

Clause 39-5 provides that clause 39-1 applies in relation to avocados that are sold or processed on or after 1 January 2025, whether the avocados are harvested before, on or after that day.

Division 40—Bananas

This Division imposes a levy (**banana levy)** on bananas harvested in Australia, in specific circumstances. Levy was previously imposed on bananas: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of banana levy:

- ***banana*** is defined in subclause 40-1(2) of Schedule 2 to the Regulations.
- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to bananas, it means a person who buys bananas from banana levy payers in the course of carrying on a business.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to bananas, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery or fruit conditioning, including ripening.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to bananas, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both or to a consumer at a wholesale produce market.

Clause 40-1—Imposition of banana levy

Subclause 40-1(1) imposes levy on bananas that are harvested in Australia and are sold by the person who owns the bananas immediately after they are harvested.

The term ***banana*** is defined in subclause 40-1(2) by reference to its scientific name.

Clause 40-2—Exemptions from the levy

This clause exempts from levy bananas in three cases.

- Subclause 40-2(1) exempts from levy bananas that are sold for processing.
- Subclause 40-2(2) exempts from levy bananas that are sold after being exported from Australia.
- Subclause 40-2(3) exempts from levy bananas that, in a financial year, are sold by retail sale if the total amount of levy that person would otherwise be liable to pay on those sales is less than $100. Subclause 40-2(3) supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold set in consultation with industry.

Clause 40-3—Rate of the levy

Clause 40-3 prescribes the banana levy rate.

Item 1 of the table in this clause prescribes four components:

- the marketing component;
- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

The banana levy rate is worked out by adding together the four components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 40-4—Levy payer

This clause provides that the person who owns the bananas immediately after they are harvested is liable to pay the banana levy.

Clause 40-5—Application provision

Clause 40-5 provides that clause 40-1 applies in relation to bananas that are sold on or after 1 July 2025, whether the bananas are harvested before, on or after that day.

Division 41—Cherries

This Division imposes a levy (**cherry levy**) on cherries harvested in Australia, in specific circumstances. Levy was previously imposed on cherries: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of cherry levy:

- ***cherry*** is defined in subclause 41-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to cherries, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.

Clause 41-1—Imposition of cherry levy

Subclause 41-1(1) imposes levy on cherries that are harvested in Australia and are sold by the person who owns the cherries immediately after they are harvested. The term ***cherry*** is defined in subclause 41-1(2) by reference to its scientific name.

Clause 41-2—Exemptions from cherry levy

This clause exempts cherries from levy in two cases.

- Paragraph 41-2(a) exempts from levy cherries that are sold for processing.
- Paragraph 41-2(b) exempts from levy cherries that are sold after being exported from Australia.

Clause 41-3—Rate of cherry levy

Clause 41-3 prescribes the cherry levy rate.

Item 1 of the table in this clause prescribes four components:

- the marketing component,
- the research and development component,
- the biosecurity activity component; and
- the biosecurity response component.

The cherry levy rate is worked out by adding together the four components.

Clause 41-4—Levy payer

This clause provides that the person who owns the cherries immediately after they are harvested is liable to pay the cherry levy.

Clause 41- 5—Application provision

Clause 41-5 provides that clause 41-1 applies in relation to cherries that are sold on or after 1 April 2025, whether the cherries are harvested before, on or after that day.

Division 42—Chestnuts

This Division imposes a levy (**chestnut levy**) on chestnuts harvested in Australia, in specific circumstances. Levy was previously imposed on chestnuts: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of chestnut levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to chestnuts, it means a person who buys chestnuts from chestnut levy payers in the course of carrying on a business.
- ***chestnut*** is defined in subclause 42-1(2) of Schedule 2 to the Regulations.
- ***process,*** in relation to a plant product, is defined in subsection 7(1). In relation to chestnuts, it means the performance of an operation except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery, removing the burr or outside casing, or peeling.

- ***retail sale*** is defined in section 5. In relation to chestnuts, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both.

Clause 42-1—Imposition of chestnut levy

Subclause 42-1(1) imposes levy on chestnuts that are harvested in Australia and are either sold by, or processed by or for, the person who owns the chestnuts immediately after they are harvested. The term ***chestnut*** is defined in subclause 42-1(2) by reference to its scientific name.

Clause 42-2—Exemptions from the levy

This clause exempts chestnuts from levy in two cases.

- Subclause 42-2(1) exempts from levy chestnuts that are sold or processed after being exported from Australia.
- Subclause 42-2(2) exempts from levy chestnuts that, in a financial year, are sold by a person by retail sale if the total quantity of chestnuts sold by the person by retail sale in the year is 500 kilograms or less. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold set previously following consultation with industry.
- Subclause 42-2(3) provides that the threshold exemption at subclause 42-2(2) does not apply to chestnuts exempt from levy under subclause 42-2(1). This ensures that the threshold exemption only applies to chestnuts on which levy could otherwise be imposed.

Clause 42-3—Rate of the levy

Clause 42-3 prescribes the chestnut levy rate.

Item 1 of the table in this clause prescribes four components:

- the marketing component;
- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

The chestnut levy rate is worked out by adding together the four components.

Clause 42-4—Levy payer

This clause provides that the person who owns the chestnuts immediately after they are harvested is liable to pay the chestnut levy.

Clause 42-5—Application provision

Clause 42-5 provides that clause 42-1 applies in relation to chestnuts that are sold or processed on or after 1 July 2025, whether the chestnuts are harvested before, on or after that day.

Division 43—Citrus

This Division imposes a levy (**citrus levy**) on citrus harvested in Australia, in specific circumstances. Levy was previously imposed on citrus: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations; Schedule 9 to the 1998 NRS Excise Levy Act and Part 11 of the 1998 NRS Regulations.

Key definitions for the imposition of citrus levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to citrus, it means a person who buys citrus from citrus levy payers in the course of carrying on a business.
- ***citrus*** is defined in subclause 43-1(2) of Schedule 2 to the Regulations.
- ***citrus box*** is defined in subclause 43-2(5) of Schedule 2 to the Regulations.
- ***orange*** is defined in subclause 43-3(3) of Schedule 2 to the Regulations.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to citrus, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to citrus, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery or fruit conditioning operations, including ripening.

Clause 43-1—Imposition of citrus levy

Subclause 43-1(1) imposes levy on citrus that is harvested in Australia and is either sold by, or processed by or for, the person who owns the citrus immediately after it is harvested. The term ***citrus*** is defined in subclause 43-1(2) by reference to scientific names and includes any hybrid between, or within, either of the listed genera. A non-exhaustive list of types of fruit is given.

Clause 43-2—Exemptions from the levy

This clause exempts citrus from levy in three cases.

- Subclause 43-2(1) exempts from levy citrus that is sold for stockfeed.
- Subclause 43-2(2) exempts from levy citrus that is sold or processed after being exported from Australia.
- Subclause 43-2(3) exempts from levy citrus that, in a calendar year, is sold by retail sale by, or processed by or for, the person who owns the citrus immediately after it is harvested, if the sum of the following is 500 units or less:

- the total quantity of citrus so sold by that person in that year; or
- the total quantity of citrus processed by or for that person in that year.

Subclause 43-2(4) provides that citrus which are the subject of the stockfeed and sale or processing after export exemptions in subclauses 43-2(1) or (2) are not to be counted for the purpose of the threshold exemption in subclause 43-2(3). This ensures that the threshold exemption only applies to citrus on which levy could otherwise be imposed.

The threshold exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales or processing below a threshold set in consultation with industry.

Subclause 43-2(5) specifies, for the purposes of subclause 43-2(3), what constitutes a unit of citrus:

- for citrus packed in citrus boxes – each citrus box is 1 unit; and
- for all other citrus:
  - for grapefruit—each 16.67 kilograms of the grapefruit is 1 unit; and
  - for other citrus—each 20 kilograms of the citrus is 1 unit.

The term ***citrus box*** is defined in subclause 43-2(6) as a container of a kind used in the Australian horticultural industry for packing citrus, and known in that industry as a bushel box or 30 litre box.

Clause 43-3—Rate of the levy

Clause 43-3 prescribes the citrus levy rate in two cases: for oranges and for other citrus.

Subclause 43-3(1) prescribes the levy rate for oranges in three cases: for oranges packed in citrus boxes; for oranges packed in containers that are not citrus boxes; and for all other oranges.

Items 1, 2 and 3 of the table in this subclause prescribe the rate of levy in each case with five components:

- the marketing component;
- the research and development component;
- the biosecurity activity components;
- the biosecurity response components; and
- the National Residue Survey component.

The citrus levy rate is worked out in each case by adding together the five components.

Subclause 43-3(2) prescribes the levy rate for other citrus in three cases: for other citrus packed in citrus boxes; for grapefruit and other citrus packed in containers that are not citrus boxes; and for all other citrus.

Items 1, 2 and 3 of the table in this subclause prescribe the rate of levy in each case with four components:

- the research and development component;
- the biosecurity activity components;
- the biosecurity response components; and
- the National Residue Survey component.

The citrus levy rate is worked out in each case by adding together the four components.

The term ***orange*** is defined in subclause 43-3(3) by reference to its scientific name.

The National Residue Survey component is set to nil, with the possibility there may be an increase at a later date.

Clause 43-4—Levy payer

This clause provides that the person who owns the citrus immediately after it is harvested is liable to pay the citrus levy.

Clause 43-5—Application provision

Clause 43-5 provides that clause 43-1 applies in relation to citrus that is sold or processed on or after 1 January 2025, whether the citrus is harvested before, on or after that day.

Division 44—Custard apples

This Division imposes a levy (**custard apple levy**) on custard apples harvested in Australia, in specific circumstances. Levy was previously imposed on custard apples: see Schedule 15 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of custard apply levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to custard apples, it means a person who buys custard apples from custard apple levy payers in the course of carrying on a business.
- ***custard apple*** is defined in subclause 44-1(2) of Schedule 2 to the Regulations.
- ***custard apple box*** is defined in subclause 44-3(2) of Schedule 2 to the Regulations.
- ***custard apple tray*** is defined in subclause 44-3(3) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to custard apple, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery, or fruit conditioning operations, including ripening.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to custard apples, it means any sale except a sale to a business purchaser, whether or not through a selling agent or buying agent or both.

Clause 44-1—Imposition of custard apple levy

Subclause 44-1(1) imposes levy on custard apples that are harvested in Australia and are sold by the person who owns the custard apples immediately after they are harvested.

The term ***custard apple*** is defined in subclause 44-1(2) by reference to its scientific names and includes any hybrid between any of the listed species.

Clause 44-2—Exemptions from the levy

This clause exempts custard apples from levy in three cases.

- Paragraph 44-2(a) exempts from levy custard apples that are sold by retail sale.
- Paragraph 44-2(b) exempts from levy custard apples that are sold for processing.
- Paragraph 44-2(c) exempts from levy custard apples that are sold after being exported from Australia.

Clause 44-3—Rate of the levy

Subclause 44-3(1) prescribes the custard apple levy rate in three cases: custard apples that are packed in custard apple boxes; custard apples that are packed in custard apple trays; and all other custard apples.

Items 1, 2 and 3 of the table in this subclause prescribe two components for each case:

- the marketing component and
- the research and development component.

In each case, the custard apple levy rate is worked out by adding together the two components.

This clause defines the following terms:

- ***custard apple box*** is defined in subclause 44-3(2) as a box of custard apples, being a box of a kind ordinarily used in the Australian horticultural industry for packing custard apples. A note explains that a custard apple box is ordinarily 10 kilograms of custard apples.
- ***custard apple tray*** is defined in subclause 44-3(3) as a single layer tray of custard apples, being a tray of a kind ordinarily used in the Australian horticultural industry for packing custard apples. A note explains that a custard apple tray is ordinarily 7 kilograms of custard apples.

Clause 44-4—Levy payer

This clause provides that the person who owns the custard apples immediately after they are harvested is liable to pay the custard apple levy.

Clause 44-5—Application provision

Clause 44-5 provides that subclause 44-1(1) applies in relation to custard apples that are sold on or after 1 January 2025, whether the custard apples are harvested before, on or after that day.

Division 45—Dried tree fruit

This Division imposes a levy (**dried tree fruit levy**) on dried tree fruit where tree fruit harvested in Australia has been dried in Australia, in specific circumstances. Levy was previously imposed on dried tree fruit: see Schedules 9 and 15 to the 1999 Excise Levies Act and Schedules 9 and 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of dried tree fruit levy:

- ***packing house*** is defined in section 5 of the Regulations. In relation to dried tree fruit levy, it means business premises at which fruit or dried fruit is packed, or fruit is dried and packed, for sale.
- ***tree fruit*** is defined in subclause 45-1(2) of Schedule 2 to the Regulations.
- ***prune*** is defined in clause 59-1 of Division 59 of Part 2-3 of Schedule 2 to the Regulations by reference to its scientific name.

Clause 45-1—Imposition of dried tree fruit levy

Subclause 45-1(1) imposes levy on dried tree fruit, where the tree fruit is harvested in Australia and is dried, in four cases:

- the tree fruit is dried in Australia outside a packing house and the dried tree fruit is delivered to a packing house in Australia by or on behalf of the person who owns the tree fruit immediately after it is harvested (paragraph 45-1(1)(a));
- the tree fruit is delivered to a packing house in Australia by or on behalf of the person who owns the tree fruit immediately after it is harvested and is dried at the packing house (paragraph 45-1(1)(b));
- the tree fruit is dried in Australia and the dried tree fruit is sold by the person who owns the tree fruit immediately after it is harvested (paragraph 45-1(1)(c));
- the tree fruit is dried in Australia and the dried tree fruit is used in Australia by the person who owns the tree fruit immediately after it is harvested in the production of other goods (paragraph 45-1(1)(d)).

The term ***tree fruit*** is defined in subclause 45-1(2) by reference to the scientific name of the various fruit specified. It includes the includes any hybrid between any of some of the listed species. A note to this subclause gives an example of a fruit of one of the listed species, being nashi.

Clause 45-2—Exemptions from the levy

Clause 45-2 exempts tree fruit and dried tree fruit from levy in three cases.

- Subclause 45-2(1) exempts prunes from the dried tree fruit levy. A note refers to the levy imposed on prunes in Division 59 of Part 2-3 of Schedule 2.
- Subclause 45-2(2) exempts dried tree fruit from levy if the dried tree fruit levy has previously been imposed on them.

The purpose of these exemptions is to ensure that levy can only be imposed on dried tree fruit once.

- Subclause 45-2(3) exempts from levy dried tree fruit that is sold after being exported from Australia.

Clause 45-3—Rate of the levy

Clause 45-3 prescribes the dried tree fruit levy rate.

Item 1 of the table in this clause specifies the research and development component. The dried tree fruit levy rate is the single component amount.

Clause 45-4—Levy payer

This clause prescribes that the person who owns the dried tree fruit immediately after it is harvested is liable to pay the dried tree fruit levy.

Clause 45-5—Application provisions

Subclause 45-5(1) provides that paragraph 45-1(1)(a) applies in relation to dried fruit that is delivered to a packing house on or after 1 October 2025, whether the tree fruit is harvested or dried before, on or after that day.

Subclause 45-5(2) provides that paragraph 45-1(1)(b) applies in relation to tree fruit that is dried on or after 1 October 2025, whether the tree fruit is harvested or delivered before, on or after that day.

Subclause 45-5(3) provides that paragraph 45-1(1)(c) applies in relation to dried tree fruit that is sold on or after 1 October 2025, whether the tree fruit is harvested or dried before, on or after that day.

Subclause 45-5(4) provides that paragraph 45-1(1)(d) applies in relation to dried tree fruit that is used on or after 1 October 2025, whether the tree fruit is harvested or dried before, on or after that day.

Division 46—Ginger

This Division imposes a levy (**ginger levy**) on ginger grown in Australia, in specific circumstances. Levy was previously imposed on ginger: see Schedule 27 to the 1999 Excise Levies Act and Schedule 27 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of ginger levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to ginger it means a person who buys ginger from ginger levy payers in the course of carrying on a business.
- ***ginger*** is defined in subclause 46-1(2) of Schedule 2 to the Regulations.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to ginger, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both or to a consumer at a wholesale produce market.

Clause 46-1—Imposition of ginger levy

Subclause 46-1(1) imposes levy on ginger that is grown in Australia and is sold by the grower. The term ***ginger*** is defined in subclause 46-1(2) by reference to its scientific name.

Clause 46-2—Exemptions from the levy

This clause exempts from levy ginger that is sold by retail sale.

Clause 46-3—Rate of the levy

Clause 46-3 prescribes the ginger levy rate.

Item 1 of the table in this clause prescribes two components:

- the research and development component; and
- the biosecurity response component.

The ginger levy rate is worked out by adding together the two components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

A note to this clause explains that section 22 of the Act has the effect that the reference in the table to the sale price of ginger is taken not to include the net GST.

Clause 46-4—Levy payer

This clause provides that the grower is liable to pay the ginger levy.

Clause 46-5—Application provision

Clause 46-5 provides that clause 46-1 applies in relation to ginger that is sold on or after 1 July 2025, whether the ginger is grown before, on or after that day.

Division 47—Lychees

This Division imposes a levy (**lychee levy**) on lychees harvested in Australia, in specific circumstances. Levy was previously imposed on lychees: see Schedule 15 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of lychee levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to lychees, it means a person who buys lychees from lychee levy payers in the course of carrying on a business.
- ***lychee*** is defined in subclause 47-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to lychees, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to lychees, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both or to a consumer at a wholesale produce market.

Clause 47-1—Imposition of lychee levy

Subclause 47-1(1) imposes levy on lychees that are harvested in Australia and are either sold by, or processed by or for, the person who owns the lychees immediately after they are harvested. The term ***lychee*** is defined in subclause 47-1(2) by reference to its scientific name.

Clause 47-2—Exemptions from the levy

This clause exempts lychees from levy in two cases.

- Subclause 47-2(1) exempts from levy lychees that are sold or processed after being exported from Australia.
- Subclause 47-2(2) exempts from levy lychees that in a financial year are sold by a person by retail sale if the total levy payable by the person on lychees sold by retail sale would otherwise be less than $100. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold set previously following consultation with industry.

Clause 47-3—Rate of the levy

Clause 47-3 prescribes the lychee levy rate in two cases.

Item 1 of the table in this clause prescribes the levy rate for lychees that are sold for processing or that are processed with one component: the research and development component. In this case, the lychee levy rate is the single component amount.

Item 2 of the table prescribes the rate for all other lychees that are sold with two components:

- the marketing component; and

- the research and development component.

In this case, the lychee levy rate is worked out by adding together the two components.

Clause 47-4—Levy payer

This clause provides that the person who owns the lychees immediately after they are harvested is liable to pay the lychee levy.

Clause 47-5—Application provision

Clause 47-5 provides that clause 47-1 applies in relation to lychees that are sold or processed on or after 1 July 2025, whether the lychees are harvested before, on or after that day.

Division 48—Macadamia nuts

This Division imposes a levy (**macadamia nut levy**) on macadamia nuts – in shell or macadamia dried kernels – that are harvested in Australia, in specific circumstances. Levy was previously imposed on macadamia nuts: see Schedules 15 and 27 to the 1999 Excise Levies Act, Schedule 15 to the 1999 Excise Levies Regulations, Schedule 9 to the 1998 NRS Excise Levy Act and Part 11 of the 1998 NRS Regulations.

Key definitions for the imposition of macadamia nut levy:

- ***macadamia nut*** is defined in subclause 48-1(4) of Schedule 2 to the Regulations.
- ***macadamia dried kernel*** is defined in subclause 48-1(5) of Schedule 2 to the Regulations.
- ***macadamia in shell*** is defined in subclause 48-1(6) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to macadamia nuts, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery. In relation to macadamia dried kernels, the operations of dehusking and drying are also excepted.
- ***representative sample***, of macadamias in shell, is defined in subclause 48-1(7) of Schedule 2 to the Regulations.

Clause 48-1—Imposition of macadamia nut levy

Clause 48-1 imposes levy on macadamia nuts in three cases: the ‘main case’ for macadamias in shell, the ‘other cases’ for macadamias in shell, and the ‘dried kernels’ case.

- Subclause 48-1(1) imposes levy on macadamias in shell that are sold by the person who owns the macadamia nuts immediately after they are harvested in Australia. The levy is imposed only if a representative sample of the macadamias in shell has been dried to a particular moisture content level and the kernels have been removed from the sample prior to the sale. This is referred to in the Regulations as the ‘main case’.
- Subclause 48-1(2) imposes levy on macadamias in shell that are sold by the person who owns the macadamia nuts immediately after they are harvested in Australia, and

subclause 48-1(1) does not apply. This is referred to in the Regulations as the 'other cases'.

- Subclause 48-1(3) imposes levy on macadamia dried kernels that are either sold by, or processed by or for, the person who owns the macadamia nuts immediately after they are harvested. This is referred to in the Regulations as the 'dried kernels' case.

This clause defines the following terms:

- ***macadamia nut*** is defined in subclause 48-1(4) by reference to its scientific name.
- ***macadamia dried kernel*** is defined in subclause 48-1(5) as a macadamia nut kernel that has been artificially partly dried.
- ***macadamia in shell*** is defined in subclause 48-1(6) as a macadamia nut after dehusking but before kernel extraction.
- ***representative sample***, of macadamias in shell, is defined in subclause 48-1(7) as a sample that weighs at least 500 grams and has a moisture content of 10%.

Clause 48-2—Exemptions from the levy

Clause 48-2 provides for exemptions from macadamia nut levy in five cases.

- Subclauses 48-2(1) and 48-2(2) exempt from levy macadamias in shell or macadamia dried kernels that are sold by, or macadamia dried kernels that are processed by or for, the person who owns the macadamia nuts immediately after they are harvested for:
  - the manufacture of macadamia oil; or
  - the manufacture of goods that are not for human consumption.
- Subclause 48-2(3) exempts from levy macadamias in shell that are sold after being exported from Australia.
- Subclause 48-2(4) exempts from levy macadamia dried kernels that are sold or processed after being exported from Australia.
- Subclause 48-2(5) exempts from levy:
  - macadamias in shell, or macadamia dried kernels, that are sold in a calendar year by the person who owns the macadamia nuts immediately after they are harvested; or
  - macadamia dried kernels that are processed in a calendar year by, or for, that person,

  if the sum of the macadamia nut levy and macadamia nut export charge that person would otherwise be liable to pay in relation to that year is less than $120.

  This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a combined levy and charge liability below a threshold set previously following consultation with industry.

Clause 48-3—Rate of the levy

Clause 48-3 prescribes the macadamia nut levy rate in three cases: the 'main case' for macadamias in shell, the 'other cases' for macadamias in shell, and the 'dried kernels' case. The rate is expressed differently to account for differences in the assumed or actual dried kernel weight in the relevant case.

In each case, item 1 of the table in the relevant subclause prescribes four components:

- the marketing component;
- the research and development component;
- the biosecurity response component; and
- the National Residue Survey component.

For 'the main case':

Subclause 48-3(1) prescribes the macadamia nut levy rate imposed by subclause 48-1(1). Item 1 of the table in subclause 48-3(1) prescribes the rate for macadamias in shell. The macadamia nut levy rate is worked out by adding together the four components. Each component is an amount of cents multiplied by the number worked out under the method statement in subclause 48-3(2).

Subclause 48-3(2) prescribes how to work out the number referred to in subclause 48-3(1). It provides that the number is worked out by multiplying the quantity in kilograms of the macadamias in shell that are sold by the 'applicable percentage'. It prescribes a four-step method statement to work out the applicable percentage. An example illustrating how to work out the applicable percentage, the number and thus the rate of the levy is included in a note.

For 'the other cases':

Subclause 48-3(3) prescribes the macadamia nut levy rate imposed by subclause 48-1(2). This case covers circumstances where a dried kernel weight for macadamias in shell is not available. Item 1 of the table in this subclause prescribes the rate for other cases of macadamias in shell. The macadamia nut levy rate is worked out by adding together the four components. Each component is an amount of cents per kilogram of macadamias in shell.

For the 'dried kernel case':

Subclause 48-3(4) prescribes the macadamia nut levy rate imposed by subclause 48-1(3). Item 1 of the table in subclause 48-3(4) prescribes the rate for macadamia dried kernels. The macadamia nut levy rate is worked out by adding together the four components. Each component is an amount of cents per kilogram of the kernels.

In each case, the biosecurity response component is set to nil to allow for quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 48-4—Levy payer

This clause provides that the macadamia nut levy on macadamias in shell or macadamia dried kernels is payable by the person who owns the macadamia nuts immediately after they are harvested.

Clause 48-5—Application provision

Clause 48-5 provides that subclause 48-1(1) applies in relation to macadamias in shell that are sold, or macadamia dried kernels that are sold or processed, on or after 1 January 2025, whether the macadamia nuts are harvested before, on or after that day.

Division 49—Mangoes

This Division imposes levy (**mango levy**) on mangoes harvested in Australia, in specific circumstances. Levy was previously imposed on mangoes: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of mango levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to mangoes, it means a person who buys mangoes from mango levy payers in the course of carrying on a business.
- ***mango*** is defined in subclause 49-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to mangoes, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery or fruit conditioning operations, including ripening.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to mangoes, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both or to a consumer at a wholesale produce market.

Clause 49-1—Imposition of mango levy

Subclause 49-1(1) imposes levy on mangoes that are harvested in Australia and are sold by the person who owns the mangoes immediately after they are harvested.

The term ***mango*** is defined in subclause 49-1(2) by reference to its scientific name

Clause 49-2—Exemptions from the levy

This clause exempts mangoes from levy in three cases.

- Subclause 49-2(1) exempts from levy mangoes that are sold for processing.
- Subclause 49-2(2) exempts from levy mangoes that are sold after being exported from Australia.
- Subclause 49-2(3) exempts from levy mangoes that are sold, in a financial year, by a person by retail sale if the total mango levy that would otherwise be payable by that person on those sales in that year is less than $100. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold set previously following consultation with industry.

Clause 49-3—Rate of the levy

Clause 49-3 prescribes the mango levy rate.

Item 1 of the table in this clause prescribes four components:

- the marketing component;
- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

The mango levy rate is worked out by adding together the four components.

Clause 49-4—Levy payer

This clause provides that the person who owns the mangoes immediately after they are harvested is liable to pay the mango levy.

Clause 49-5—Application provision

Clause 49-5 provides that clause 49-1 applies in relation to mangoes that are sold on or after 1 July 2025, whether the mangoes are harvested before, on or after that day.

Division 50—Melons

This Division imposes a levy (**melon levy**) on melons harvested in Australia, in specific circumstances. Levy was previously imposed on melons: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of melon levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to melons, it means a person who buys melons from melon levy payers in the course of carrying on a business.
- ***melon*** is defined in subclause 50-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to melons, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery, or fruit conditioning operations, including ripening.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to melons, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both.

Clause 50-1—Imposition of melon levy

Subclause 50-1(1) imposes levy on melons that are harvested in Australia and are either sold by, or processed by or for, the person who owns the melons immediately after they are

harvested. The term ***melon*** is defined in subclause 50-1(2) by reference to scientific and common names.

Clause 50-2—Exemptions from the levy

This clause exempts melons from levy in two cases.

- Subclause 50-2(1) exempts from levy melons that are sold or processed after being exported from Australia.
- Subclause 50-2(2) exempts from levy melons that are sold, in a financial year, by a person by retail sale if the total quantity of melons sold by the person by retail sale in the year is less than 20 tonnes. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy on retail sales below a threshold set previously following consultation with industry.

Subclause 50-2(3) provides that the threshold exemption at subclause 50-2(2) does not apply to melons exempt from levy under subclause 50-2(1). This ensures that the threshold exemption only applies to melons on which levy could otherwise be imposed.

Clause 50-3—Rate of the levy

Clause 50-3 prescribes the melon levy rate.

Item 1 of the table in this clause prescribes three components:

- the research and development component
- the biosecurity activity component, and
- the biosecurity response component.

The melon levy rate is worked out by adding together the three components.

The biosecurity response component is set to nil to allow for quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 50-4—Levy payer

This clause provides that the person who owns the melons immediately after they are harvested is liable to pay the melon levy.

Clause 50-5—Application provision

Clause 50-5 provides that clause 50-1 applies in relation to melons that are sold or processed on or after 1 July 2025, whether the melons are harvested before, on or after that day.

Division 51—Nashi

This Division imposes a levy (**nashi levy**) on nashi harvested in Australia, in specific circumstances. Levy was previously imposed on nashi: see Schedule 15 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of nashi levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to nashi, it means a person who buys nashi from nashi levy payers in the course of carrying on a business.
- ***nashi*** is defined in subclause 51-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to nashi, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery, or fruit conditioning operations, including ripening.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to nashi, it means any sale except a sale to a business purchaser, whether directly or through a selling agent or buying agent or both.

Clause 51-1—Imposition of nashi levy

Subclause 51-1(1) imposes levy on nashi that are harvested in Australia and are either sold by, or processed by or for, the person who owns the nashi immediately after they are harvested. The term ***nashi*** is defined in subclause 51-1(2) by reference to its scientific name.

Clause 51-2—Exemptions from the levy

This clause exempts nashi from levy in five cases.

- Subclause 51-2(1) exempts from levy nashi sold for stockfeed.
- Subclause 51-2(2) exempts from levy nashi sold for processing, or that are processed, into dried nashi. A note to this subclause tells the reader to see Division 45 for levy imposed on dried tree fruit. The purpose of this subclause is to ensure that nashi that are sold to be processed into dried nashi or are processed into dried nashi are levied once under the dried tree fruit levy.
- Subclause 51-2(3) exempts from levy nashi sold for processing, or that are processed, into canned fruit.
- Subclause 51-2(4) exempts from levy nashi that are sold or processed after being exported from Australia.
- Subclause 51-2(5) exempts from levy nashi that are, in a calendar year, sold by retail sale by, or processed by, or for, the person who owns the nashi immediately after they are harvested, if the sum of the following is 9 tonnes or less (threshold exemption):
    - the total quantity of nashi so sold by that person in that year;
    - the total quantity of nashi processed by or for that person in that year.

  This exemption supports the efficient and cost-effective collection of levy by not requiring people to pay levy who would otherwise have a retail sale or processing levy liability below a threshold set previously following consultation with industry.
- Subclause 51-2(6) provides that the threshold exemption at subclause 51-2(5) does not apply to nashi covered by an exemption under subclause 51-2(1), (2), (3) or (4). This

ensures that the threshold exemption only applies to nashi on which levy could otherwise be imposed.

Clause 51-3—Rate of the levy

Clause 51-3 specifies the nashi levy rate.

Item 1 of the table in this clause prescribes the research and development component. The component is set to nil following consultation with industry, with the possibility there may be an increase at a later date. The nashi levy rate is the single component amount.

Clause 51-4—Levy payer

This clause provides that the person who owns the nashi immediately after they are harvested is liable to pay the nashi levy.

Clause 51-5—Application provision

Clause 51-5 provides that clause 51-1 applies in relation to nashi that are sold or processed on or after 1 January 2025, whether the nashi are harvested before, on or after that day.

Division 52—Olives

This Division imposes a levy (**olive levy**) on olives grown in Australia, in specific circumstances. Levy was previously imposed on olives: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of olive levy:

- ***olive*** is defined in subclause 52-1(2) of Schedule 2 to the Regulations.
- ***process,*** in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to olives, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to olives, it means any, except a sale to a business purchaser whether directly or through a selling agent or buying agent or both.

Clause 52-1—Imposition of olive levy

Subclause 52-1(1) imposes levy on olives that are grown in Australia and are either sold by, or processed by or for, the grower. The term ***olive*** is defined in subclause 52-1(2) by reference to its scientific name.

Clause 52-2—Exemptions from the levy

This clause exempts olives from levy in two cases.

- Subclause 52-2(1) exempts from levy olives that are sold or processed after being exported from Australia.

- Subclause 52-2(2) exempt from levy olives that, in a period of 12 months beginning on 1 October, are sold by retail sale or processed by the grower, if the total amount of levy the grower would otherwise be liable to pay on olives sold by retail sale or processed in that period is less than $100. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales or on processing below a threshold set previously following consultation with industry.

Clause 52-3—Rate of the levy

Clause 52-3 prescribes the olive levy rate.

Item 1 of the table in this clause prescribes three components:

- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

The olive levy rate is worked out by adding together the three components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 52-4—Levy payer

This clause provides that the grower of the olives is the person liable to pay the olive levy.

Clause 52-5—Application provision

Clause 52-5 provides that clause 52-1 applies in relation to olives that are sold or processed on or after 1 October 2025, whether the olives are grown before, on or after that day.

Division 53 – Onions

This Division imposes a levy (**onion levy**) on onions harvested in Australia, in specific circumstances. Levy was previously imposed on onions: see Schedules 15 and 27 to the 1999 Excise Levies Act, Schedule 15 to the 1999 Excise Levies Regulations, Schedule 9 to the 1998 NRS Excise Levy Act and Part 11 of the 1998 NRS Regulations.

Key definitions for the imposition of onion levy:

- ***onion*** is defined in subclause 53-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to onions, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.

Clause 53-1—Imposition of onion levy

Subclause 53-1(1) imposes levy on onions that are harvested in Australia and are either sold by, or processed by or for, the person who owns the onions immediately after they are harvested. The term ***onion*** is defined in subclause 53-1(2) by reference to its scientific name but does not include shallots.

Clause 53-2—Exemptions from the levy

This clause exempts from levy onions that are sold or processed after being exported from Australia.

Clause 53-3—Rate of the levy

Clause 53-2 prescribes the onion levy rate.

Item 1 of the table in this clause prescribes five components:

- the marketing component;
- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

The onion levy rate is worked out by adding together the five components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required. The National Residue Survey component is set to nil with the possibility there may be an increase at a later date.

Clause 53-4—Levy payer

This clause provides that the person who owns the onions immediately after they are harvested is liable to pay the onion levy.

Clause 53-5—Application provision

Clause 53-5 provides that clause 53-1 applies in relation to onions that are sold or processed on or after 1 January 2025, whether the onions are harvested before, on or after that day.

Division 54—Papaya

This Division imposes a levy (**papaya levy**) on papaya harvested in Australia, in specific circumstances. Levy was previously imposed on papaya: see Schedule 15 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of papaya levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to papayas, it means a person who buys papayas from papaya levy payers in the course of carrying on a business.
- ***papaya*** is defined in subclause 54-1(2) of Schedule 2 to the Regulations.
- ***process****,* in relation to a plant product*,* is defined in subsection 7(1) of the Regulations. In relation to papaya, it means the performance of an operation, except cleaning or, washing, brushing, sorting, grading, packing, storage, transport, delivery or fruit conditioning operations, including ripening.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to papaya, it means any sale by a person except a sale to a business purchaser, whether directly or through a selling agent or buying agent or both, or a sale to a consumer at a wholesale produce market.

Clause 54-1—Imposition of papaya levy

Subclause 54-1(1) imposes levy on papaya that is harvested in Australia and is either sold by, or processed by or for, the person who owns the papaya immediately after they are harvested. The term ***papaya*** is defined in subclause 54-1(2) by reference to its scientific name. A note to this subclause explains that papaya is also known as pawpaw, papaw and paw paw.

Clause 54-2—Exemptions from the levy

This clause exempts papaya from levy in two cases.

- Subclause 54-2(1) exempts from levy papaya that are sold or processed after being exported from Australia.
- Subclause 54-2(2) exempts from levy papaya that is sold, in a financial year, by a person by retail sale if the total amount of levy that person would otherwise be liable to pay on papaya sold by retail sale in that year is less than $50. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold set previously following consultation with industry.

Clause 54-3—Rate of the levy

Clause 54-3 prescribes the papaya levy rate in two cases.

- Item 1 of the table in this clause prescribes the levy rate for papaya that is sold for processing or that is processed, with one component: the research and development component. In this case, the papaya levy rate is the component amount.
- Item 2 of the table prescribes the levy rate for all other papaya with two components:
    - the marketing component and
    - the research and development component.

    In this case, the papaya levy rate is worked out by adding together the two components.

Clause 54-4—Levy payer

This clause provides that the person who owns the papaya immediately after it is harvested is liable to pay the papaya levy.

Clause 54-5—Application provision

Clause 54-5 provides that clause 54-1 applies in relation to papaya that is sold or processed on or after 1 July 2025, whether the papaya is harvested before, on or after that day

Division 55—Passionfruit

This Division imposes a levy (**passionfruit levy**) on passionfruit harvested in Australia, in specific circumstances. Levy was previously imposed a on passionfruit: see Schedule 15 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of passionfruit levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to passionfruit, it means a person who buys passionfruit from passionfruit levy payers in the course of carrying on a business.
- ***passionfruit*** is defined in subclause 55-1(2) of Schedule 2 to the Regulations.
- ***passionfruit carton*** is defined in subclause 55-3(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to passionfruit, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery, or fruit conditioning operations, including ripening.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to passionfruit, it means any sale except a sale to a business purchaser, whether directly or through a selling agent or buying agent or both.

Clause 55-1—Imposition of passionfruit levy

Subclause 55-1(1) imposes levy on passionfruit that is harvested in Australia and is either sold by, or processed by or for, the person who owns the passionfruit immediately after it is harvested. The term ***passionfruit*** is defined in subclause 55-1(2) by reference to its scientific name.

Clause 55-2—Exemptions from the levy

This clause exempts passionfruit from levy in two cases.

- Subclause 55-2(1) exempts from levy passionfruit that is sold or processed after being exported from Australia.
- Subclause 55-2(2) exempts from levy passionfruit that, in a financial year, is sold by a person by retail sale and the total amount of levy that the person would otherwise be liable to pay on passionfruit sold by retail sale in that year is less than $100. This

exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold set previously following consultation with industry.

Clause 55-3—Rate of the levy

Subclause 55-3(1) prescribes the passionfruit levy rate in three cases: passionfruit that is processed or sold for processing; other passionfruit packed in 18 litre passionfruit cartons; and all other passionfruit.

Items 1, 2 and 3 of the table in this subclause prescribe two components in each case:

- the marketing component; and
- the research and development component.

In each case, the passionfruit levy rate is worked out by adding together the two components.

The term ***passionfruit carton*** is defined in subclause 55-3(2) as an 18 litre container of a kind ordinarily used in the Australian horticultural industry for packing passionfruit.

Clause 55-4—Levy payer

This clause provides that the person who owns the passionfruit immediately after it is harvested is liable to pay the passionfruit levy.

Clause 55-5—Application provision

Clause 55-5 provides that clause 55-1 applies in relation to passionfruit that is sold or processed on or after 1 July 2025, whether the passionfruit is harvested before, on or after that day.

Division 56—Persimmons

This Division imposes a levy (**persimmon levy**) on persimmons harvested in Australia, in specific circumstances. Levy was previously imposed on persimmons: see Schedule 15 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of persimmon levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to persimmons, it means a person who buys persimmons from persimmon levy payers in the course of carrying on a business.
- ***persimmon*** is defined in subclause 56-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to persimmons, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery, or fruit conditioning operations, including ripening.

- ***retail sale*** is defined in section 5 of the Regulations. In relation to persimmons, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both, or to a consumer at a wholesale produce market.

Clause 56-1—Imposition of persimmon levy

Subclause 56-1(1) imposes levy on persimmons that are harvested in Australia and are either sold by, or processed by or for, the person who owns the persimmons immediately after they are harvested. The term ***persimmon*** is defined in subclause 56-1(2) by reference to its scientific name.

Clause 56-2—Exemptions from the levy

This clause exempts persimmon from levy in two cases.

- Subclause 56-2(1) exempts from levy persimmons that are sold or processed after being exported from Australia.
- Subclause 56-2(2) exempts from levy persimmons that are sold, in a financial year, by a person by retail sale if the total levy amount that would otherwise be payable by the person on persimmons that they sell by retail sale in the year is less than $100. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold set previously in consultation with industry.

Clause 56-3—Rate of the levy

Clause 56-3 prescribes the persimmon levy rate.

Item 1 of the table in this clause prescribes two components:

- the marketing component; and
- the research and development component.

The persimmon levy rate is worked out by adding together the two components.

Clause 56-4—Levy payer

This clause provides that the person who owns the persimmons immediately after they are harvested in Australia is liable to pay the persimmon levy.

Clause 56-5—Application provision

Clause 56-5 provides that clause 56-1 applies in relation to persimmons that are sold or processed on or after 1 July 2025, whether the persimmons are harvested before, on or after that day.

Division 57—Pineapples

This Division imposes a levy (**pineapple levy**) on pineapples harvested in Australia, in specific circumstances. Levy was previously imposed on pineapples: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of pineapple levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to pineapples, it means a person who buys pineapples from pineapple levy payers in the course of carrying on a business.
- ***pineapple*** is defined in subclause 57-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to pineapples, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery, fruit conditioning operations, including ripening, or removing the short leafy stem that grows from one end of a pineapple.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to pineapples, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both, or to a consumer at a wholesale produce market.

Clause 57-1—Imposition of pineapple levy

Subclause 57-1(1) imposes levy on pineapples that are harvested in Australia and are either sold by, or processed by or for, the person who owns the pineapples immediately after they are harvested. The term ***pineapple*** is defined in subclause 57-1(2) by reference to its scientific name.

Clause 57-2—Exemptions from the levy

This clause exempts pineapples from levy in two cases.

- Subclause 57-2(1) exempts from levy pineapples that are sold or processed after being exported from Australia.
- Subclause 57-2(2) exempts from levy pineapples sold, in a financial year, by a person by retail sale if the total quantity of pineapples sold by the person by retail sale in the year is 30 tonnes or less. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold previously set following consultation with industry.
- Subclause 57-2(3) provides that the threshold exemption at subclause 57-2(2) does not apply to pineapples covered by an exemption under subclause 51-2(1) or (2). This ensures that the threshold exemption only applies to pineapples on which levy could otherwise be imposed.

Clause 57-3—Rate of the levy

Clause 57-3 prescribes the pineapple levy rate in two cases: pineapples that are sold for processing or are processed, and all other pineapples.

- Item 1 of the table in this clause prescribes the levy rate for pineapples that are sold for processing, or are processed, with three components:
    - the research and development component;
    - the biosecurity activity component; and

- the biosecurity response component.

In this case, the pineapple levy rate is worked out by adding together the three components.

- Item 2 in the table in this clause prescribes the levy rate for all other pineapples with four components:
  - the marketing component;
  - the research and development component;
  - the biosecurity activity component; and
  - the biosecurity response component.

In this case, the pineapple levy rate is worked out by adding together the four components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component be raised to facilitate a payment (including repayment) mechanism if required.

Clause 57-4—Levy payer

This clause provides that the person who owns the pineapples immediately after they are harvested is liable to pay the pineapple levy.

Clause 57-5—Application provision

Clause 57-5 provides that clause 57-1 applies in relation to pineapples that are sold or processed on or after 1 July 2025, whether the pineapples are harvested before, on or after that day.

Division 58—Potatoes

This Division imposes a levy (**potato levy**) on potatoes that are harvested in Australia, in specific circumstances. Levy was previously imposed a on potatoes: see Schedules 15 and 27 to the 1999 Excise Levies Act, Schedule 15 to the Excise Regulations 1999, Schedule 9 to the 1998 NRS Excise Levy Act and Part 11 of the 1998 NRS Regulations.

Key definitions for the imposition of potato levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to potatoes, it means a person who buys potatoes from potato levy payers in the course of carrying on a business.
- ***potato*** is defined in subclause 58-1(3) of Schedule 2 to the Regulations.
- ***process,*** in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to potatoes, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.

- ***processing establishment*** is defined in section 5 of the Regulations. In relation to potatoes, it means business premises at which a process in relation to potatoes is performed.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to potatoes, it means any sale by a person except a sale to a business purchaser whether directly or through a selling agent or buying agent or both.

Clause 58-1—Imposition of potato levy

Clause 58-1 imposes potato levy in two cases: the sale case and the processing case.

- Subclause 58-1(1) imposes levy on potatoes that are harvested in Australia and are sold by the person who owns them immediately after they are harvested.
- Subclause 58-1(2) imposes levy on potatoes that are harvested in Australia and are processed at a processing establishment in Australia.

The effect of this clause is that levy can be imposed on both the sale and processing of the same potatoes.

The term ***potato*** is defined in subclause 58-1(3) by reference to its scientific name.

Clause 58-2—Exemptions from the levy

This clause exempts potatoes from levy in the sale case and the processing case. Subclauses 58-2(1), (2) and (3) exempt specific potatoes from levy in the sale case.

- Subclause 58-2(1) exempts from levy potatoes that are sold for stockfeed.
- Subclause 58-2(2) exempts from levy potatoes that are sold after being exported from Australia.
- Subclause 58-2(3) exempts potatoes from levy if, in a calendar year, they are sold by a person by retail sale and the total quantity of potatoes sold by that person by retail sale in that year is less than 100 tonnes. This supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold set following consultation with industry.
- Subclause 58-2(4) provides that the threshold exemption at subclause 58-2(3) does not apply to potatoes covered by an exemption under subclause 58-2(1) or (2). This ensures that the threshold exemption only applies to potatoes on which levy could otherwise be imposed.
- Subclauses 58-2(5) and (6) exempt potatoes from levy in the processing case in specific circumstances involving small quantities of processed potatoes by smaller potato processors.
- Subclause 58-2(5) exempts from levy potatoes that are processed at a processing establishment if the business carried out at the establishment is not wholly or substantially a business of processing plant products.
- Subclause 58-2(6) exempts from levy potatoes if, in a calendar year, they are processed at a processing establishment in Australia and the total quantity of potatoes processed at that establishment in that year is less than 100 tonnes. This supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would

otherwise have a levy liability below a threshold set following consultation with industry.

Clause 58-3—Rate of the levy

This clause prescribes the potato levy rate in the sale case and in the processing case.
In the sale case, subclause 58-3(1) prescribes the levy rate with four components:

- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

The potato levy rate is worked out by adding together the four components.

In the processing case, subclause 58-3(2) prescribes the levy rate with three components:

- the research and development component;
- the biosecurity activity component; and
- the National Residue Survey component.

The potato levy rate is worked out by adding together the three components. In each case, the National Residue Survey component is set to nil, with the possibility there may be an increase at a later date.

Clause 58-4—Levy payer

Clause 58-4 identifies the person liable to pay the potato levy in the sale case and in the processing case.

- Subclause 58-4(1) provides that the person who owns the potatoes immediately after they are harvested is liable to pay the levy on the sale of potatoes under subclause 58-1(1).
- Subclause 58-4(2) provides that the person who owns the potatoes at the time at which they begin to be processed is liable to pay the levy on the processing of potatoes under subclause 58-1(2).

Clause 58-5—Application provision

Clause 58-5 provides that clause 58-1 applies in relation to potatoes that are sold or processed on or after 1 January 2025, whether the potatoes are harvested before, on or after that day.

Division 59—Prunes

This Division imposes a levy (**prune levy**) on prunes where fruit is harvested in Australia and is dried in Australia, in specific circumstances. Levy was previously imposed on prunes as dried fruit: see Schedules 9 and 15 to the 1999 Excise Levies Act and Schedules 9 and 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of prune levy:

- ***packing house*** is defined in section 7 of the Regulations. In relation to prunes, it means business premises at which fruit or dried fruit is packed, or fruit is dried and packed, for sale.
- ***prune*** is defined in subclause 59-1(2) of Schedule 2 to the Regulations.

Clause 59-1—Imposition of prune levy

Subclause 59-1(1) imposes levy on prunes, where the fruit is harvested in Australia and is dried, in four cases:

- the fruit is dried in Australia outside a packing house and the prunes are delivered to a packing house in Australia by or on behalf of the person who owns the fruit immediately after it is harvested;
- the fruit is delivered to a packing house in Australia by or on behalf of that owner and is dried at the packing house;
- the fruit is dried in Australia and the prunes are sold by the person who owns the fruit immediately after it is harvested;
- the fruit is dried in Australia and the prunes are used in Australia by the person who owns the fruit immediately after it is harvested in the production of other goods.

The term ***prune*** is defined in subclause 59-1(2) as a fruit identified by reference to its scientific name. It must be dried whole, and have the pit retained.

Clause 59-2—Exemptions from the levy

This clause exempts prunes from levy in two cases.

- Subclause 59-2(1) exempts from levy prunes if the prune levy has previously been imposed on them. The purpose of the exemption is to ensure the prune levy can only be imposed on prunes once.
- Subclause 59-2(2) exempts from levy prunes that are sold after being exported from Australia.

Clause 59-3—Rate of the levy

Clause 59-3 prescribes the prune levy rate.

Item 1 of the table in this clause prescribes the research and development component. The prune levy rate is the single component amount.

Clause 59-4—Levy payer

This clause provides that the person who owns the fruit immediately after it is harvested is liable to pay the prune levy.

Clause 59-5—Application provisions

Subclause 59-5(1) provides that paragraph 59-1(1)(a) applies in relation to prunes that are delivered to a packing house on or after 1 October 2025, whether the fruit is harvested or dried before, on or after that day.

Subclause 59-5(2) provides that paragraph 59-1(1)(b) applies in relation to fruit that is dried on or after 1 October 2025, whether the fruit is harvested or delivered before, on or after that day.

Subclause 59-5(3) provides that paragraph 59-1(1)(c) applies in relation to prunes that are sold on or after 1 October 2025, whether the fruit is harvested or dried before, on or after that day.

Subclause 59-5(4) provides that paragraph 59-1(1)(d) applies in relation to prunes that are used as mentioned in that paragraph on or after 1 October 2025, whether the fruit is harvested or dried before, on or after that day.

Division 60—Rubus (raspberry, blackberry etc.)

This Division imposes a levy (**rubus levy**) on rubus harvested in Australia, in specific circumstances. Levy was previously imposed on rubus: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of rubus levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to rubus, it means a person who buys rubus from rubus levy payers in the course of carrying on a business.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to rubus, it means the performance of an operation, except, cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to rubus, it means any sale except a sale to a business purchaser, whether through a selling agent, buying agent or both, or to a consumer at a wholesale produce market.
- ***rubus*** is defined in subclause 60-1(2) of Schedule 2 to the Regulations.

Clause 60-1—Imposition of rubus levy

Subclause 60-1(1) imposes levy on rubus that is harvested in Australia and is sold by the person who owns the rubus immediately after it is harvested. The term ***rubus*** is defined in subclause 60-1(2) by reference to its scientific name and includes any hybrids within that genus. A note to this subclause gives examples of what is, and what is not, included within the definition.

Clause 60-2—Exemptions from the levy

This clause exempts rubus from levy in three cases.

- Paragraph 60-2(a) exempts from levy rubus that is sold by retail sale.
- Paragraph 60-2(b) exempts from levy rubus that is sold for processing.
- Paragraph 60-2(c) exempts from levy rubus that is sold after being exported from Australia.

Clause 60-3—Rate of the levy

Clause 60-3 prescribes the rubus levy rate.

Item 1 of the table in this clause prescribes three components:

- the marketing component;
- the research and development component; and
- the biosecurity activity component.

The rubus levy rate is worked out by adding together the three components. The marketing component is set to nil in consultation with industry, with the possibility there may be an increase at a later date.

Clause 60-4—Levy payer

This clause provides that the person who owns the rubus immediately after it is harvested is liable to pay the rubus levy.

Clause 60-5—Application provision

Clause 60-5 provides that clause 60-1 applies in relation to rubus that is sold on or after 1 July 2025, whether the rubus is harvested before, on or after that day.

Division 61—Stone fruit

This Division imposes a levy (**stone fruit levy**) on stone fruit harvested in Australia, in specific circumstances. Levy was previously imposed on stone fruit: see Schedules 15 and 27 to the 1999 Excise Levies Act, Schedule 15 to the 1999 Excise Levies Regulations, Schedule 9 to the 1998 NRS Excise Levy Act and Part 11 of the 1998 NRS Regulations.

Key definitions for the imposition of stone fruit levy:

- ***stone fruit*** is defined in subclause 61-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to stone fruit, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport, delivery and fruit conditioning operations, including ripening.

Clause 61-1—Imposition of stone fruit levy

Subclause 61-1(1) imposes levy on stone fruit that is harvested in Australia and is either sold or processed by, or for, the person who owns the stone fruit immediately after it is harvested. The term ***stone fruit*** is defined in subclause 61-1(2) as a fruit of a number of specified species, identified by their scientific names and common names, and hybrids between any of those species.

Clause 61-2—Exemptions from the levy

This clause exempts stone fruit from levy in three cases.

- Subclause 61-2(1) exempts from levy, stone fruit that is sold for processing. A note to this subclause tells the reader that, if the stone fruit is sold for processing into dried fruit, see Division 45 for levy imposed on dried tree fruit and Division 59 for levy imposed on prunes.
- Subclause 61-2(2) exempts from levy, stone fruit that is processed into dried fruit. A note to this subclause tells the reader to see Division 45 for levy imposed on dried tree fruit and Division 59 for levy imposed on prunes This exemption ensures that either stone fruit levy or a dried fruit levy is imposed on the fruit, not both.
- Subclause 61-2(3) exempts from levy stone fruit that is sold or processed after being exported from Australia.

Clause 61-3—Rate of the levy

Clause 61-3 prescribes the stone fruit levy rate.

Item 1 of the Table in this clause prescribes five components:

- the marketing component;
- the research and development component;
- the biosecurity activity component;
- the biosecurity response component; and
- the National Residue Survey component.

The stone fruit levy rate is worked out by adding together the five components.

The marketing and National Residue Survey component rates are set to nil, with the possibility there may be an increase at a later date. The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 61-4—Levy payer

This clause provides that the person who owns the stone fruit immediately after it is harvested is liable to pay the stone fruit levy.

Clause 61-5—Application provision

Clause 61-5 provides that clause 61-1 applies in relation to stone fruit that is sold or processed on or after 1 July 2025, whether the stone fruit is harvested before, on or after that day.

Division 62—Strawberries

This Division imposes a levy (**strawberry runner levy**) on strawberries runners purchased for use in the commercial production of strawberries in Australia. Levy was previously imposed on strawberries: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of strawberry runner levy:

- ***strawberry*** is defined in subclause 62-1(3) of Schedule 2 to the Regulations.
- ***strawberry runner*** is defined in subclause 62-1(2) of Schedule 2 to the Regulations.

Clause 62-1—Imposition of strawberry runner levy

Subclause 62-1(1) imposes levy on strawberry runners that are purchased by a person for use in the commercial production of strawberries in Australia. Whether the strawberry runners are purchased from a seller who carries out operations in or outside Australia is not relevant to the imposition of the levy. A note to this subclause refers to clause 62-4, which specifies when strawberry runners are taken to be purchased.

There are no exemptions from the strawberry runner levy.

This clause defines the following terms:

- ***strawberry runner*** is defined in subclause 62-1(2) by reference to its scientific name and a description of the process of producing it.
- ***strawberry*** is defined in subclause 62-1(3) by reference to its scientific name.

Clause 62-2—Rate of the levy

Subclause 62-2(1) prescribes the strawberry runner levy rate.

Item 1 of the table in this subclause prescribes three components:

- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

Each component of the levy rate is expressed as a specified amount multiplied by a number calculated on the basis of how many thousand strawberry runners are purchased in a transaction. Subclause 62-2(2) prescribes how to work out the number used to calculate the amount of levy. The strawberry runner levy rate is worked out by adding together the three components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Notes to this clause show examples of levy calculations.

Clause 62-3—Levy payer

This clause provides that the purchaser of the strawberries runners is liable to pay the strawberry runner levy.

Clause 62-4—When are strawberry runners purchased?

This clause prescribes that, for the purpose of strawberry runner levy, strawberry runners are taken to be purchased when the purchase price is paid in full. This clause clarifies when levy is payable where a number of payments are made in the purchase of strawberry runners.

Clause 62-5—Application provision

Clause 62-5 provides that clause 62-1 applies in relation to strawberry runners that are purchased on or after 1 July 2025.

Division 63—Sweet potatoes

This Division imposes a levy (**sweet potato levy**) on sweet potatoes harvested in Australia, in specific circumstances. Levy was previously imposed on sweet potatoes: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of the sweet potato levy:

- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to sweet potatoes, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.
- ***sweet potato*** is defined in subclause 63-1(2) of the Regulations.
- ***value*** is defined in subclause 63-3(2) of the Regulations.

Clause 63-1—Imposition of sweet potato levy

Subclause 63-1(1) imposes levy on sweet potatoes that are harvested in Australia and are either sold by, or processed by or for, the person who owns the sweet potatoes immediately after they are harvested. The term ***sweet potato*** is defined in subclause 63-1(2) by reference to its scientific name.

Clause 63-2—Exemptions from the levy

This clause exempts from levy sweet potatoes that are sold or processed after being exported from Australia.

Clause 63-3—Rate of the levy

Subclause 63-3(1) prescribes the sweet potato levy rate.
Item 1 of the table in this clause prescribes four components:

- the marketing component;
- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

The sweet potato levy rate is worked out by adding together the four components.

The term ***value*** is defined in subclause 63-3(2) as:

- for sweet potatoes that are sold—the sale price of the sweet potatoes;
- for sweet potatoes that are processed—the market value of the sweet potatoes on the day they begin to be processed.

A note to subclause 62-3(2) explains that, under section 22 of the Act, the 'sale price' of sweet potatoes does not include the net GST.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 63-4—Levy payer

This clause provides that the person who owns the sweet potatoes immediately after they are harvested is liable to pay the sweet potato levy.

Clause 63-5—Application provision

Clause 63-5 provides that clause 63-1 applies in relation to sweet potatoes that are sold or processed on or after 1 July 2025, whether the sweet potatoes are harvested before, on or after that day.

Division 64—Vegetables

This Division imposes a levy (**vegetable levy**) on vegetables harvested in Australia, in specific circumstances. Levy was previously imposed on vegetables: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of vegetable levy:

- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to vegetables, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.
- ***value*** is defined in subclause 64-3(2) of the Regulations.

Clause 64-1—Imposition of vegetable levy

This clause imposes levy on vegetables. The term 'vegetables' is not defined and it is intended that the ordinary meaning would apply. This clause clarifies that while vegetables are subject to the levy, specific vegetables, including vegetables on which levy is imposed under a different Part or Division of these regulations, are expressly excluded from the vegetable levy.

Subclause 64-1(1) imposes levy on vegetables that are harvested in Australia and are either sold by, or processed by or for, the person who owns the vegetables immediately after they are harvested.

Subclause 64-1(2) clarifies that subclause 64-1(1) applies to shallots and parsley (each identified by its scientific name).

Subclause 64-1(3) prescribes specific kinds of vegetables on which vegetable levy is not imposed. Of the vegetables so prescribed, those vegetables that have a scientific name not defined elsewhere in the regulations are identified by their scientific names or by broad category, such as 'other herbs'. This subclause prescribes vegetables on which levy is imposed elsewhere in these regulations – onions, melons, potatoes and sweet potatoes – that are not subject to the vegetable levy.

A note to subclause 64-1(3) refers to the definition of ***melon*** in clause 50-1 (which covers specific species or varieties of melons) to illustrate that vegetable levy is not imposed on the melons levied under the melon levy but may be imposed on other melons that are sold or processed as vegetables, such as cucumbers.

Clause 64-2—Exemptions from the levy

This clause exempts from levy vegetables that are sold or processed after being exported from Australia.

Clause 64-3—Rate of the levy

Subclause 64-3(1) prescribes the vegetable levy rate.
Item 1 of the table in this subclause prescribes three components:

- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

The amount of each component is worked out as a specified percentage of the value of the vegetables.

The vegetable levy rate is worked out by adding together the three components.

The term ***value*** is defined in subclause 64-3(2) as:

- for vegetables that are sold—the sale price of the vegetables; or

- for vegetables that are processed—the market value of the vegetables on the day the vegetables begin to be processed.

A note to subclause 64-3(2) specifies that, under section 22 of the Act, 'sale price' does not include the net GST.

Clause 64-4—Levy payer

This clause provides that the person who owns the vegetables immediately after they are harvested is liable to pay the vegetable levy.

Clause 64-5—Application provision

Clause 64-5 provides that clause 64-1 applies in relation to vegetables that are sold or processed on or after 1 July 2025, whether the vegetables are harvested before, on or after that day.

Part 2-4—Viticulture

Division 65—Introduction

Clause 65-1—Simplified outline of this Part

This clause provides a simplified outline of Part 2-4. It summarises key features of the levies imposed under this Part: the table grapes levy; the dried grapes levy; the grapes research levy; and the wine grapes levy.

Division 66—Table grapes levy

This Division imposes a levy (**table grapes levy**) on table grapes harvested in Australia, in specific circumstances. Levy was previously imposed on table grapes: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations; Schedule 9 to the 1998 NRS Excise Levy Act and Part 11 of the 1998 NRS Regulations.
Key definitions for the imposition of table grapes levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to table grapes, it means a person who buys table grapes from table grapes levy payers in the course of carrying on a business.
- ***grape*** is defined in section 5 of the Regulations by reference to its scientific name.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to table grapes, it means any sale by a person except a sale to a business purchaser, whether through a selling agent, buying agent or both, or to a consumer at a wholesale produce market.

Clause 66-1—Imposition of table grapes levy

Clause 66-1 imposes levy on table grapes that are harvested in Australia and are sold by the person who owns the table grapes immediately after they are harvested. The term 'table grapes' is not defined and it is intended that the ordinary meaning would apply.

Clause 66-2—Exemptions from the levy

This clause exempts table grapes from levy in two cases.

- Subclause 66-2(1) exempts from levy table grapes that are sold after being exported from Australia.
- Subclause 66-2(2) exempts from levy table grapes that, in a financial year, are sold by a person by retail sale if the total quantity of table grapes sold by a person by retail sale in that year is 5,000 kilograms or less. This supports the efficient and cost-effective collection of the levy by not requiring people to pay levy who would otherwise have a levy liability on retail sales below a threshold set in consultation with industry.
- Subclause 66-2(3) provides that the threshold exemption at subclause 66-2(2) does not apply to table grapes covered by an exemption under subclause 66-2(1). This ensures that the threshold exemption only applies to table grapes on which levy could otherwise be imposed.

Clause 66-3—Rate of the levy

Clause 66-3 prescribes the table grapes levy rate.
Item 1 of the table in this clause prescribes four components:

- the marketing component;
- the research and development component;
- the biosecurity response component; and
- the National Residue Survey component.

The table grapes levy rate is worked out by adding together the four components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response can be raised to facilitate a payment (including repayment) mechanism if required. The National Residue Survey component is set to nil with the possibility there may be an increase at a later date.

Clause 66-4—Levy payer

This clause provides that the person who owns the table grapes immediately after they are harvested in Australia is liable to pay the table grapes levy.

Clause 66-5—Application provision

Clause 66-5 provides that clause 66-1 applies in relation to table grapes that are sold on or after 1 July 2025, whether the grapes are harvested before, on or after that day.

Division 67—Dried grapes levy

This Division imposes a levy (**dried grapes levy**) on dried grapes, where grapes were grown and dried in Australia, in specific circumstances. Levy was previously imposed on dried

grapes as dried fruits: see Schedules 9, 15 and 27 to the 1999 Excise Levies Act and Schedules 9 and 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of dried grapes levy:

- ***grape*** is defined by section 5 of the Regulations by reference to its scientific name.
- ***packing house*** is defined in section 5 of the Regulations. In relation to dried grapes, it means business premises at which fruit or dried fruit is packed, or fruit is dried and packed, for sale.

Clause 67-1—Imposition of dried grapes levy

Clause 67-1 imposes levy on dried grapes, where the grapes are grown in Australia and are dried, in four cases:

- the grapes are dried in Australia outside a packing house and are then delivered to a packing house in Australia by or on behalf of the grower of the grapes (paragraph 67-1(a));
- the grapes are delivered to a packing house in Australia by or on behalf of the grower of the grapes and are dried at the packing house (paragraph 67-1(b));
- the grapes are dried in Australia and the dried grapes are sold by the grower of the grapes (paragraph 67-1(c));
- the grapes are dried in Australia and the dried grapes are used in Australia by the grower of the grapes in the production of other goods (paragraph 67-1(d)).

Clause 67-2—Exemptions from the levy

This clause exempts dried grapes from levy in two cases.

- Subclause 67-2(1) exempts dried grapes from levy if the dried grapes levy has previously been imposed on them. The effect of this exemption is that dried grapes levy can only be imposed on dried grapes once.
- Subclause 67-2(2) exempts from levy dried grapes that are sold after being exported from Australia.

Clause 67-3—Rate of the levy

Clause 67-3 prescribes the dried grapes levy rate.
Item 1 of the table in this clause prescribes four components:

- the marketing component;
- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

The dried grapes levy rate is worked out by adding together all the components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 67-4—Levy payer

This clause provides that the grower of the grapes is liable to pay the dried grapes levy.

Clause 67-5—Application provisions

Subclause 67-5(1) provides that paragraph 67-1(a) applies in relation to dried grapes that are delivered to a packing house on or after 1 January 2025, whether the grapes are grown or dried before, on or after that day.

Subclause 67-5(2) provides that paragraph 67-1(b) applies in relation to grapes that are dried on or after 1 January 2025, whether the grapes are grown or delivered before, on or after that day.

Subclause 67-5(3) provides that paragraph 67-1(c) applies in relation to dried grapes that are sold on or after 1 January 2025, whether the grapes are grown or dried before, on or after that day.

Subclause 67-5(4) provides that paragraph 67-1(d) applies in relation to dried grapes that are used on or after 1 January 2025, whether the grapes are grown or dried before, on or after that day.

Division 68—Grapes research levy

This Division imposes a levy (**grapes research levy**) on grapes grown in Australia and delivered to a processing establishment, in specific circumstances. A grapes research levy was previously imposed: see Schedules 13 and 27 to the 1999 Excise Levies Act and Schedule 13 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of grapes research levy:

- ***fresh grape equivalent*** is defined in section 5 of the Regulations as:
    - of a quantity of dried grapes—a number of tonnes equal to the number worked out by multiplying the number of tonnes of the dried grapes by 3; or
    - of a quantity of grape juice—a number of tonnes equal to the number worked out by:
        - for single-strength grape juice—dividing the number of litres of the quantity of single-strength grape juice by 800; or
        - for concentrated grape juice—dividing the number of litres of single-strength grape juice, from which the concentrated grape juice was derived, by 800.

  Notes to the definition in section 5 give examples for each of these three calculations.
- ***grape*** is defined in section 5 of the Regulations by reference to its scientific name.

- ***grape juice*** is defined in section 5 of the Regulations as grape juice produced in Australia, from grapes grown in Australia, whether single-strength or concentrated.
- ***grape processing premises*** is defined in subclause 68-1(2) of Schedule 2 to the Regulations.
- ***process***, in relation to a plant product, is defined in subsection 7(1) of the Regulations. In relation to grapes, it means the performance of an operation, except cleaning or washing, brushing, sorting, grading, packing, storage, transport or delivery.

Clause 68-1—Imposition of grapes research levy

This clause imposes levy on:

- fresh grapes that are grown in Australia and delivered to grape processing premises in Australia (paragraph 68-1(1)(a));
- dried grapes, where the grapes are grown and dried in Australia and the dried grapes are delivered to grape processing premises in Australia (paragraph 68-1(1)(b)); and
- grape juice delivered to grape processing premises in Australia (paragraph 68-1(1)(c)).

Subclause 68-1(2) provides that premises are ***grape processing premises*** during a financial year if the sum of the following is at least 5 tonnes during that year or either of the last 2 financial years:

- the total quantity of fresh grapes processed at the premises;
- in relation to each quantity of dried grapes processed at the premises—the fresh grape equivalent of those dried grapes;
- in relation to each quantity of grape juice processed at the premises—the fresh grape equivalent of that grape juice.

A note directs the reader to section 5 for the definition of ***fresh grape equivalent***.

Clause 68-2—Exemptions from the levy

This clause specifies exemptions from grapes research levy in three cases.

- Subclause 68-2(1) exempts dried grapes from levy if the dried grapes levy is imposed on those grapes under Division 67 of Part 2-4 of Schedule 2 to the Regulations. This ensures that either the dried grapes levy or the grapes research levy is imposed, not both.
- Subclause 68-2(2) exempts grape juice from levy that is delivered to a grape processing premises in a financial year if the grape juice was concentrated or extracted at:
    - other grape processing premises; or
    - premises where the principal activity carried on during that year was the processing of fresh grapes, dried grapes or grape juice.

    It is not relevant to the application of this subclause when the grape juice was concentrated or extracted at another grape processing premises. This exemption is intended to ensure that grapes research levy is only imposed once on the delivery of grapes to a grape processing premises.

- Subclause 68-2(3) exempts fresh grapes, dried grapes and grape juice from levy if they are delivered to a grape processing premises in a financial year and the sum of the following is less than 20 tonnes:
    - the total quantity of fresh grapes processed at those premises in that year;
    - in relation to each quantity of dried grapes processed at those premises in that year—the fresh grape equivalent of those dried grapes;
    - in relation to each quantity of grape juice processed at those premises in that year—the fresh grape equivalent of that grape juice.

A note directs the reader to section 5 for the definition of ***fresh grape equivalent***.
This exemption supports the efficient and cost-effective collection of the levy.

Clause 68-3—Rate of the levy

Clause 68-3 prescribes the grapes research levy rate in three cases.

Item 1 of the table in this clause prescribes the levy rate for fresh grapes. Item 2 of the table prescribes the levy rate for dried grapes. Item 3 of the table prescribes the levy rate for grape juice.

In each case, the item prescribes three components:

- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

The grapes research levy rate is worked out in each case by adding the components together.

For items 2 and 3, a note directs the reader to section 5 for the definition of ***fresh grape equivalent***, as that term is used in each item. The definition of ***fresh grape equivalent*** prescribes the method to convert dried grapes and grape juice to their fresh grape equivalent for the purpose of calculating the levy rate.
In each case the biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 68-4—Levy payer

This clause provides that the person who owns the fresh grapes, dried grapes or grape juice immediately before delivery to the grape processing premises is liable to pay the grapes research levy.

Clause 68-5—Application provision

Subclause 68-5(1) provides that paragraph 68-1(1)(a) applies in relation to fresh grapes that are delivered to grape processing premises on or after 1 July 2025, whether the grapes are grown before, on or after that day.

Subclause 68-5(2) provides that paragraph 68-1(1)(b) applies in relation to dried grapes that are delivered to grape processing premises on or after 1 July 2025, whether the grapes are grown or dried before, on or after that day.

Subclause 68-5(3) provides that paragraph 68-1(1)(c) applies in relation to grape juice that is delivered to grape processing premises on or after 1 July 2025, whether the grape juice is produced before, on or after that day.

Division 69—Wine grapes levy

This Division imposes a levy (**wine grapes levy**) on grapes used in wine-making in Australia, in specific circumstances. Levy was previously imposed on wine grapes: see Schedules 26 and 27 to the 1999 Excise Levies Act and Schedule 26 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of wine grapes levy:

- ***fresh grape equivalent*** is defined in section 5 of the Regulations as:
    - of a quantity of dried grapes—the number of tonnes worked out by multiplying the number of tonnes of the dried grapes by 3;
    - of a quantity of grape juice—the number of tonnes worked out:
        - for single-strength grape juice—by dividing the number of litres of the grape juice by 800;
        - for concentrated grape juice—by dividing the number of litres of grape juice from which the concentrated grape juice was derived by 800.

  The definition of *fresh grape equivalent* prescribes the method to convert dried grapes and grape juice to their fresh grape equivalent for the purpose of calculating levy.
- ***grape*** is defined in section 5 of the Regulations by reference to its scientific name.
- ***grape juice*** is defined in section 5 of the Regulations as grape juice produced in Australia from grapes grown in Australia, whether single-strength or concentrated.
- ***wine-making*** is defined in subclause 69-1(2) of Schedule 2 to the Regulations.
- ***winery*** is defined in subclause 69-1(3) of Schedule 2 to the Regulations.

Clause 69-1—Imposition of wine grapes levy

This clause imposes levy on grapes grown in Australia and used at a winery in Australia in wine-making in three cases involving different forms of grapes.
Subclause 69-1(1) imposes a levy on:

- fresh grapes that are grown in Australia and used at a winery in Australia in wine-making (paragraph 69-1(1)(a)); and
- dried grapes, where the grapes were grown and dried in Australia and the dried grapes are used at a winery in Australia in wine-making (paragraph 69-1(1)(b)); and
- grape juice that is used at a winery in Australia in wine-making (paragraph 69-1(1)(c)).

This clause defines the following terms:

- ***wine-making*** is defined in subclause 69-1(2) as:
    - a step in the manufacture of wine (including wine used, or intended for use, in the manufacture of brandy);
    - a step in the production of grape spirit suitable for the fortifying of wine or the manufacture of brandy; or
    - the addition of single strength grape juice or concentrated grape juice to wine,

  but does not include the extraction of juice from grapes or the concentration of grape juice.
- ***winery*** is defined in subclause 69-1(3). Premises are a winery in a financial year if the sum of the following during the financial year, or during either of the last 2 financial years, is at least 5 tonnes:
    - the total quantity of fresh grapes used in wine-making at the premises;
    - the fresh grape equivalent of dried grapes used in wine-making at the premises; and
    - the fresh grape equivalent of grape juice used in wine-making at the premises.

  The definition of ***winery*** prescribes a premises that meets or exceeds a threshold total amount of fresh grapes and fresh grape equivalent of dried grapes and grape juice used in wine-making during a specified period. This supports the efficient and cost-effective collection of levy by excluding fresh grapes, dried grapes or grape juice from levy if they are used in wine-making at a premises that does not meet a threshold usage amount previously set following consultation with industry.

Clause 69-2—Rate of the levy

Subclause 69-2(1) prescribes the wine grapes levy rate in three cases: for fresh grapes, for dried grapes, and for grape juice. The rate is expressed in terms of fresh grapes or a fresh grape equivalent to adjust for the relevant case, including differences in the weight and moisture contents of dried grapes and grape juice.

Each item of the table prescribes four components for each case:

- the marketing component;
- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

The wine grapes levy rate is worked out in each case by adding together the four components.

Item 1 of the table in subclause 69-2(1) applies to the fresh grapes case. The marketing component amount is worked out under subsection 69-2(2). The rate of each of the other components is worked out as a specified amount per tonne of fresh grapes.

Item 2 of the table applies to the dried grapes case. The marketing component amount is worked out under subclause 69-2(3). The rate of each of the other components is a specified amount per tonne of the fresh grape equivalent of the dried grapes.

Item 3 of the table applies to the grape juice case. The marketing component amount is worked out under subclause 69-2(4). The rate of each of the other components is worked out as a specified amount per tonne of the fresh grape equivalent of the grape juice.

Each biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity component can be raised to facilitate a payment (including repayment) mechanism if required.

Subclauses 69-2(2), 69-2(3) and 69-2(4) set out in tables how to work out the amount of the marketing component of the wine grapes levy for each of the fresh grapes, dried grapes, and grape juice cases. Each table sets out different amounts per tonne for different quantities of fresh grapes, or the fresh grape equivalent of the dried grapes or grape juice respectively.

Clause 69-3—Levy payer

This clause provides that the person who owns the fresh or dried grapes, or the grape juice, when they begin to be used for wine-making at a winery is liable to pay the wine grapes levy.

Clause 69-4—Application provisions

Subclause 69-4(1) provides that paragraph 69-1(1)(a) applies in relation to fresh grapes that are used at a winery on or after 1 July 2025, whether the grapes are grown before, on or after that day.

Subclause 69-4(2) provides that paragraph 69-1(1)(b) applies in relation to dried grapes that are used at a winery on or after 1 July 2025, whether the grapes are grown or dried before, on or after that day.

Subclause 69-4(3) provides that paragraph 69-1(1)(c) applies in relation to grape juice that is used at a winery on or after 1 July 2025, whether the grape juice is produced before, on or after that day.

Part 2-5—Other plants and plant products

Division 71—Introduction

Clause 71-1—Simplified outline of this Part

This clause provides a simplified outline of Part 2-5. It summarises key features of the levies imposed under this Part: the nursery container levy; the tea tree oil levy; and the turf levy.

Division 73—Nursery products

This Division imposes a levy (**nursery container levy**) on nursery containers, in specific circumstances. Levy was previously imposed on nursery products: see Schedules 15 and 27 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of nursery container levy:

- ***nursery products*** is defined in section 4 of the Act to 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.

Clause 73-1—Imposition of nursery container levy

Clause 73-1 imposes levy on containers if:

- the containers are purchased by a person (paragraph 73-1(a)); and
- the containers are designed to be immediate containers of nursery products (paragraph 73-1(b)); and
- the purchase is for the purpose of nursery products, in a growing medium, being placed in the containers in Australia (paragraph 73-1(c)); and
- the purchase is the last purchase of the containers before nursery products in a growing medium in the containers are to be sold or used in the commercial production of other goods (paragraph 73-1(d)).

Whether the containers are purchased from a person who carries on operations in or outside Australia is not relevant to the imposition of the levy. A note refers to clause 73-4, which specifies when containers are taken to have been purchased.

There are no exemptions from nursery container levy.

Clause 73-2—Rate of the levy

Clause 73-2 prescribes the nursery container levy rate.
Item 1 of the table in this clause prescribes four components:

- the marketing component;
- the research and development component;
- the biosecurity activity component; and
- the biosecurity response component.

The nursery container levy rate is worked out by adding together the four components.
The component rates are specified percentages of the amounts paid for the containers on the last purchase of them, as described in paragraph 73-1(d).

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity response component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 73-3—Levy payer

This clause provides that the last purchaser of the containers is liable to pay the nursery container levy.

Clause 73-4—When are containers purchased?

This clause specifies when containers are taken to be purchased by a person for the purpose of nursery container levy in two cases.

- Where containers are purchased by a person from a person who carries on operations in Australia, the containers are taken to be purchased when the first payment for them is made (whether that is a part payment or full payment) (paragraph 73-4(a)).
- Where a person (the ***first person***) takes possession of containers from a person who carries on operations outside Australia but does not carry on any operations in Australia, the first person is taken to have purchased the containers and to have done so when the first person took possession of the containers (paragraph 73-4(b)).

This clause clarifies when levy is payable on the purchase of containers by reference to the seller in different circumstances.

Clause 73-5—Application provision

Clause 73-5 provides that clause 73-1 applies in relation to containers that are purchased on or after 1 July 2025.

Division 74—Tea tree oil

This Division imposes a levy (**tea tree oil levy**) on tea tree oil distilled in Australia, in specific circumstances. Levy was previously imposed on tea tree oil: see Schedule 27 to the 1999 Excise Levies Act and Schedule 27 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of tea tree oil levy:

- ***business purchaser*** is defined in subsection 6(3) of the Regulations. In relation to tea tree oil, it means a person who buys tea tree oil from tea tree oil levy payers in the course of carrying on a business.
- ***retail sale*** is defined in section 5 of the Regulations. In relation to tea tree oil, it means any sale except a sale to a business purchaser, whether directly or through a selling agent or buying agent or both.
- ***tea tree oil*** is defined in subclause 74-1(2) of Schedule 2 to the Regulations.

Clause 74-1—Imposition of tea tree oil levy

Subclause 74-1(1) imposes levy on tea tree oil that is distilled in Australia and is sold by the person who owns the tea tree oil immediately after it is distilled. The term ***tea tree oil*** is defined in subclause 74-1(2) as oil distilled from a plant, referred to by its scientific name, according to a specified international standard in force from time to time.

Subsection 27(5) of the Act provides that the regulations may make provision in relation to a matter by applying, adopting or incorporating, with or without modification, any matter contained in an instrument or other writing as in force or existing from time to time.

The purpose of the specified tea tree oil standard (ISO 4730:2017 *Essential oil of Melaleuca, terpinen-4-ol type (Tea Tree oil)*) is to specify certain characteristics of the essential oil *Melaleuca*, terpinen-4-ol type (tea tree oil) that need to be met in order to demonstrate the quality of the oil produced. Tea tree oil is an essential oil that has therapeutic uses for humans, particularly dermatological uses, when distilled in accordance with the international standard.

The ISO standard is not publicly available and can be purchased from the International Organization for Standardization. However, people liable to pay the tea tree oil levy must, in the ordinary course of their business, have access to the standard.

The distillation of tea tree oil that is safe for therapeutic use by humans is, by its nature, technical. A person claiming that their oil meets the ISO standard — and thereby potentially becoming liable to pay the levy — must have access to that ISO standard in order to meet it. Additionally, in Australia, the Australian Tea Tree Oil Industry Association incorporates the ISO standard in place from time to time into its certification and quality assurance training process. This includes developing an industry code of practice, training in ISO certification standards, audit services and access to a trademarked certification logo.

Clause 74-2—Exemptions from the levy

This clause exempts tea tree oil from levy in two cases.

- Subclause 74-2(1) exempts from levy tea tree oil that is sold after being exported from Australia.
- Subclause 74-2(2) exempts from levy tea tree oil if, in a financial year, it is sold by a person by retail sale and the total amount of levy the person would otherwise be liable to pay on tea tree oil sold by retail sale in that year is less than $25. This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy on retail sales below a threshold previously set following consultation with industry.

Clause 74-3—Rate of the levy

This clause prescribes the tea tree oil levy rate.

Item 1 of the table in this clause prescribes two components:

- the research and development component; and
- the biosecurity response component.

The tea tree oil levy rate is worked out by adding together the two components.

The biosecurity response component is set to nil to allow for a quick activation, by increasing the component amount, in the event of a relevant biosecurity response. This provides certainty for the industry and the Commonwealth that a biosecurity component can be raised to facilitate a payment (including repayment) mechanism if required.

Clause 74-4—Levy payer

This clause provides that the person who owns the tea tree oil immediately after it is distilled is liable to pay the tea tree oil levy.

Clause 74-5—Application provision

Clause 74-5 provides that clause 74-1 applies in relation to tea tree oil that is sold on or after 1 July 2025, whether the tea tree oil is distilled before, on or after that day.

Division 75—Turf

This Division imposes a levy (**turf levy**) on turf that is harvested in Australia, in specific circumstances. Levy was previously imposed on turf: see Schedule 15 to the 1999 Excise Levies Act and Schedule 15 to the 1999 Excise Levies Regulations.

Key definitions for the imposition of turf levy:

- ***turf*** is defined in subclause 75-1(2) of Schedule 2 to the Regulations.

Clause 75-1—Imposition of turf levy

Subclause 75-1(1) imposes levy on turf that is harvested in Australia and is sold by the person who owns the turf immediately after it is harvested. The term ***turf*** is defined in subclause 75-1(2) as a living grass species that forms a uniform ground cover.

Clause 75-2—Exemptions from the levy

This clause exempts turf from levy in two cases.

- Subclause 75-2(1) exempts from levy turf that is sold after export.
- Subclause 75-2(2) exempts from levy turf that, in a financial year, is sold by the person who owns the turf immediately after it is harvested, if the sum of the following is 20,000 square metres or less:
    - the total quantity of turf that is sold by that person in that year; and
    - the total quantity of turf the person exports from Australia in that year.

  This exemption supports the efficient and cost-effective collection of the levy by not requiring people to pay levy if they have a combined levy and charge liability below a threshold set previously following consultation with industry.

- Subclause 75-2(3) provides that the threshold exemption at subclause 75-2(2) does not apply to turf covered by an exemption under subclause 75-2(1). This ensures that the threshold exemption only applies to turf on which levy could otherwise be imposed.

Clause 75-3—Rate of the levy

This clause prescribes the turf levy rate.

Item 1 of the table in this clause prescribes two components:

- the marketing component and

- the research and development component.

The turf levy rate is worked out by adding together the two components.

Clause 75-4—Levy payer

This clause provides that the person who owns the turf immediately after it is harvested is liable to pay the turf levy.

Clause 75-5—Application provision

Clause 75-5 provides that clause 75-1 applies in relation to turf that is sold on or after 1 July 2025, whether the turf is harvested before, on or after that day.

ATTACHMENT C

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Primary Industries (Excise) Levies Regulations 2024

This disallowable legislative instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* and advances certain of those rights.

Background

The *Primary Industries (Excise) Levies Act 2024* (the Act) forms part of a package of Acts to modernise the agricultural levies and charges legislative framework (modernised legislative framework). The Act enables excise levies to be imposed as part of the agricultural levy system.

The Act, in combination with the following Acts, provides the overarching legislative framework for the agricultural levy system:

- *Primary Industries (Customs) Charges Act 2024*
- *Primary Industries (Services) Levies Act 2024*
- *Primary Industries Levies and Charges Collection Act 2024*
- *Primary Industries Levies and Charges Disbursement Act 2024*
- *Primary Industries (Consequential Amendments and Transitional Provisions) Act 2024*.

Overview of the Legislative Instrument

The purpose of the *Primary Industries (Excise) Levies Regulations 2024* (the Regulations) is to provide, under a modernised framework, for the consolidated imposition of levy in relation to the following:

- animal products, plant products, fungus products, or algal products that are produce of a primary industry; and
- goods that are of a kind consumed by, or used in the maintenance or treatment of, animals, plants, fungi or algae; and
- goods for use in the production or preparation of nursery products that are for sale or for use in the commercial production of other goods.

The Regulations also set out any exemptions from the imposition of a levy, the rate of levy and the person who is liable to pay the levy (levy payer). For some products, the Regulations provide for the imposition of multiple levies.

The legislative instrument commences on 1 January 2025.

Human rights implications

The relevant aspects of the Act were assessed as engaging human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*. That assessment was set out in the Explanatory Memorandum to the Bill for the Act. That assessment concluded that the Act, and the agricultural levy system overall, were compatible with human rights because the measures in the Act promoted human rights, did not engage human rights or, to the extent that they did engage and limit specified human rights, those limitations were reasonable, necessary, and proportionate to the Act's legitimate objectives.

The Parliamentary Joint Committee on Human Rights examined the Statement of Compatibility with Human Rights to the Bill in Report 12 of 2023, in accordance with the *Human Rights (Parliamentary Scrutiny) Act 2011*. The Committee made no comment on the Bill on the basis that it did not engage, or only marginally engaged human rights; promoted human rights; and/or permissibly limited human rights. For an analysis of the human rights implications of the modernised legislation package as a whole, the Explanatory Memoranda for the above Bills should be referred to.

This legislative instrument, by extension, engages the following rights:

- the right to an adequate standard of living – Article 11(1) of the *International Covenant on Economic, Social and Cultural Rights* (ICESCR)
- the right to health – Article 12(1) of the ICESCR.

Right to an adequate standard of living

This legislative instrument engages the right to an adequate standard of living under Article 11(1) of the ICESCR. This includes the right to adequate food, clothing, water, and housing, and to the continuous improvement of living conditions. States Parties have an obligation to ensure the availability and accessibility of the resources necessary for the progressive realisation of this right. Article 4 of the ICESCR provides that these rights may be subject to permissible limitations only where those limitations are provided by law and are for the purpose of promoting the general welfare in a democratic society.

The Regulations impose levies on approximately sixty animal, plant and fungus products, including fishing, livestock, fibre, dairy, egg, forestry, horticultural, grain and seeds products. The levies imposed by this instrument ensure the Australian agricultural sector is well positioned to meet domestic and international need for high quality and greater variety of food, fibre, wood and other primary produce as well as assist industry to collectively fund beneficial biosecurity projects for pest and disease preparedness, emergency responses and management.

While the imposition of an excise levy may limit the profit individual levy payers make from their goods initially, the aggregation of levies imposed by the Regulations promotes the right to an adequate standard of living through the benefits of collective investment. Individual businesses often struggle to fund strategic activities (such as research and development (R&D)) activities that will increase production in the long-term or biosecurity activities that will address the risk to all growers from pests and diseases). Levies are imposed in response

to a levy proposal supported by at least a majority of levy payers and directed to industry-wide benefits.

The outcomes of these investments also lead to broader public benefits for Australians and the international community reliant on Australian production. By strengthening the productivity of the Australian agricultural, fisheries and forestry sector, as well as making production more resilient to threats, the activities funded by the levy system positively impact the availability and accessibility of the resources necessary for the progressive realisation of this right. For example, the levy system benefits the availability and accessibility of food and other primary produce such as fibre which may be used for clothing and wood which may be used for housing.

On balance, the likely benefits delivered by the agricultural levy system are broad and serve to promote the right to an adequate standard of living through improved economic and social outcomes. The Instrument promotes this right by supporting targeted investment to increase beneficial farming, fisheries and forestry technologies and practices to help communities to achieve greater productivity, sustainability, climate resilience, and food security.

Any purported limitation on this right at point of imposition, is reasonable and proportionate having regard to the objective of improving the standard of living of levy payers by enhancing their individual productivity, access to markets, climate resilience and profitability.

Right to health

Article 12 of the ICESCR promotes the right of all individuals to enjoy the highest attainable standards of physical and mental health.

The UNCESCR has stated (General Comment 14 (2000)) that health is a fundamental human right indispensable for the exercise of other human rights and that the right to health is not to be understood as the right to be healthy, but rather entails a right to a system of health protection which provides equality of opportunity for people to enjoy the highest attainable level of health. The right may be understood as encompassing the prevention and reduction of the population's exposure to harmful substances such as harmful chemicals or other detrimental environmental conditions that directly or indirectly impact upon human health (at [15]).

The instrument engages and promotes the right to health through imposing levies for investment in activities that prevent or reduce harm to human health. Activities funded by the levy system support access to food which is nutritionally adequate and safe for the Australian and international community. Activities include biosecurity activities, residue testing as well as wide-ranging R&D activities into agricultural production that can increase food production, food security and food safety. For example, biosecurity activities that support the prevention and control of animal diseases and plant pests contribute to adequate food supply. Monitoring and testing of contaminant levels in agricultural products ensures that food produced in Australia is safe (for example, that it does not contain unsafe levels of chemical residues or heavy metals).

The instrument further promotes the right to health through funding activities which will support and underpin the sourcing and availability of safe food as well as improving, monitoring and management of new and emerging food safety and security risks.

Conclusion

The legislative instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* as it promotes the protection of the human rights it engages. To the extent that it may limit human rights, those limits are reasonable, necessary and proportionate to the instrument's legitimate objectives.

The Hon. Julie Collins

Minister for Agriculture, Fisheries and Forestry