



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

### Levies Revenue Service

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

[www.daff.gov.au/levies](http://www.daff.gov.au/levies)

## INFORMATION ON CATTLE AND LIVESTOCK TRANSACTION LEVY

### WHY IS THERE A LEVY ON CATTLE AND LIVESTOCK?

A levy is payable on transactions involving livestock (defined to include sheep, lambs and goats) and/or cattle (defined as bovine animals other than buffalo - there are separate levies on buffalo, deer & pigs). Components of the levy are used to fund research, development and marketing activities through Meat and Livestock Australia (MLA) [www.mla.com.au](http://www.mla.com.au), programs conducted by Animal Health Australia (AHA) [www.animalhealthaustralia.com.au/](http://www.animalhealthaustralia.com.au/), plus contributions to the National Residue Survey [www.daff.gov.au/nrs](http://www.daff.gov.au/nrs). The Levies Revenue Service (LRS) receives the funds and forwards them to the relevant organisations, in addition to distributing the Australian Government's matching research and development (R&D) contributions. Levies are introduced and administered by the Australian Government at the request of Industry.

### WHAT IS THE LEVY PAYABLE ON?

The Cattle and Livestock Transaction Levies not only relate to sales, but also to transfers of cattle and livestock between production and processing stages.

Levy is payable:

- (a) on each transaction between persons by virtue of which the ownership of live-stock or cattle is transferred from one person to another (and is payable by the person who owned the live-stock or cattle immediately before the transaction was entered into); or
- (b) on the delivery of live-stock or cattle to a processor *otherwise* than by reason of a sale to the processor (and is payable by the person who owned the livestock or cattle immediately before the delivery); or
- (c) on the slaughter by a processor of live-stock and cattle purchased by the processor and held for a period of more than a determined period\* after the purchase and before the slaughter (and is payable by the owner of the livestock or cattle at the time of slaughter); (\*60 days cattle, 30 days sheep, lambs or goats) or
- (d) on the slaughter by a processor of livestock or cattle if levy is not payable under (a), (b) or (c) above (and is payable by the owner of the livestock or cattle at the time of slaughter).

**\*NOTE:** This includes cattle or livestock sold with real property on a producer-to-producer basis e.g. 'walk in walk out' sales. It may well be in the best interests of all involved in such sales e.g. vendors, purchasers, real estate agents and solicitors, to ensure that contracts clearly indicate levy requirements and arrangements made and to be followed in relation to the collection of such levy. This would then avoid any confusion as to who will collect and remit the levy to the Commonwealth.

**\* Information about exemptions from the Cattle and Livestock Transaction Levy is included on page 2 under the heading [Are there any exemptions associated with this levy/charge?](#)**

### WHO PAYS THE LEVY/CHARGE AND WHO SUBMITS RETURNS?

Levy is payable by the persons listed below at (a) and (b) who must forward it to LRS along with return forms (that are available from all LRS offices or by accessing our website at [www.daff.gov.au/levies](http://www.daff.gov.au/levies)). These persons can recover the amounts of levy paid from the producer.

- (a) a buying agent, selling agent or first purchaser who buys or sells cattle or livestock in a month;
- (b) a processor who slaughters cattle or live-stock or to whom live-stock and cattle are delivered, or a processor on whose behalf live-stock or cattle are slaughtered by, or delivered to, another processor, in a month.

A producer who completes a cattle or livestock transaction in a levy year (other than a transaction on which a buying agent, selling agent, first purchaser, or a processor, is liable to pay levy on the producer's behalf) must submit levy and a return form directly to LRS.

## WHAT IS THE RATE OF LEVY/CHARGE ON CATTLE AND LIVESTOCK?

The rate of domestic levy for cattle and livestock transactions is calculated as follows:

### Cattle Transaction Levy

Cattle (grass fed)	\$5.00 per head
Lot-Fed Cattle <sup>#</sup> (grain fed)	\$5.00 per head
Bobby Calves <sup>#</sup>	\$0.90 per head

### Livestock Transaction Levy:

#### A. Where there is a defined sale price:

Sheep	2% of sale price (to a maximum of 20 cents per head)
Lambs	2% of sale price (to a maximum of \$1.50 per head)
Goats	37.7 cents per head

#### B. Where there is no defined sale price:

Sheep	20 cents per head
Lambs	80 cents per head
Goats	37.7 cents per head

**Note 1:** No levy is payable unless a sheep or lamb is sold for \$5.00 or more.

**#Note 2:** See "General Information and Definitions" for details of Lot-Fed Cattle and Bobby Calves.

**Note 3:** Levy Rates are current as at 1 January 2006.

## ARE THERE ANY EXEMPTIONS ASSOCIATED WITH THIS LEVY/CHARGE?

Levy is **not** payable:

- (a) on the sale of live-stock or cattle at auction to the vendor; or
- (b) on the sale or delivery of live-stock or cattle between related companies unless the company buying or taking delivery is a processor; or
- (c) on the delivery of live-stock or cattle to a processor for slaughter on behalf of the person delivering the live-stock or cattle if:
  - (i) the delivery occurs within fourteen days after the live-stock or cattle are acquired by that person by a transaction whereby levy was deducted; **AND**
  - (ii) the live-stock or cattle are subsequently slaughtered; **AND**
  - (iii) the person continues to own the live-stock or cattle immediately after their hot carcase weight would normally be determined; or
- (d) on the sale or delivery of live-stock or cattle to a processor if the live-stock or cattle are not, at the time of the sale or delivery, fit for human consumption; or
- (e) where ownership of livestock or cattle changes on the death of the owner of the livestock or cattle or due to dissolution of partnerships. Nor is levy payable as a result of a sale or transfer ordered by a Court in proceedings under the *Family Law Act 1975* (as distinct from a sale of live-stock or cattle to satisfy the cash transfer determinations of a Court order, in which case levy would be payable).
- (f) on a leviabie bobby calf on which levy has already been paid; or
- (g) on the sale of dairy cattle for dairying purposes; or
- (h) on the slaughter of cattle (other than lot-fed cattle) by a producer, or by a person on behalf of a producer, if:
  - (a) the cattle are slaughtered for consumption:
    - (i) by the producer, members of the producer's household or the producer's employees; and
    - (ii) on premises owned or occupied by the producer; and
  - (b) the cattle are slaughtered on premises owned or occupied by the producer; and
  - (c) immediately before the slaughter the cattle were owned by the producer and kept on the premises; and
  - (d) 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; or
- (i) on a sale of sheep or lambs if the sale price per head of the sheep or lambs is less than \$5; or

- (j) on the slaughter of live-stock (sheep, lambs or goats) for consumption by:
- (i) the owner of the live-stock; or
  - (ii) members of the owner's family; or
  - (iii) the owner's employees.
- (k) on the sale of cattle and/or livestock by an export licence holder to another export licence holder if the animals are exported 30 days or less after being acquired by the first licence holder.

#### WHEN IS LEVY DUE FOR PAYMENT?

##### **Monthly Returns:**

A buying agent, selling agent or first purchaser who buys or sells cattle or livestock in a month must lodge a return for the month. Similarly, a [processor](#) who deals with cattle or livestock in a month must lodge a return for the month. The return together with payment is due within 1 month and 28 days after the end of the month in which the transaction took place. For example the return and payment for the month of July is due on or before 28 September.

##### **Annual Returns:**

A producer who completes a cattle or livestock transaction in a levy (financial) year (other than a transaction on which a buying agent, selling agent or first purchaser, or a processor, is liable to collect levy) must lodge a return for the [levy year](#). The vendor's annual return for a levy year is due, together with payment, on or before 31 October in the next levy year. For example, the return and payment for the 2005/2006 levy year\* must be lodged by 31 October 2006.

Please contact your nearest LRS office to ascertain if you qualify as an annual payer.

#### GENERAL INFORMATION AND DEFINITIONS

\*A levy year for cattle and livestock is the same as a financial year (i.e. 1st July to 30<sup>th</sup> June).

**#Lot-Fed Cattle** means cattle that are, or are likely to be, used in the production of grain-fed beef. In order to meet the feeding requirements of the AUS-MEAT Minimum Standards, grain fed cattle must be fed for a minimum of 70 days (Heifers 60 days), and for not less than 50 days of that period on a nutritionally balanced ration of a recognised high energy feed of which grain is the highest single component. Rations must have an average Metabolisable Energy (ME) content greater than 10 Megajoules (MJ) per kilogram of dry matter.

**#Bobby Calves** means bovine animals, other than buffalo or lot-fed cattle, which either has been slaughtered and the dressed weight of each carcass did not or does not exceed 40kg; or has not been slaughtered and, at the time of the leviable transaction, the live weight of each animal did not or does not exceed 80kg.

##### **Statement to be given if a transaction levy is not payable:**

If cattle or live-stock are delivered to a processor and levy is not payable under the "14 day rule" as mentioned in paragraph 5 (2) (d) of Schedule 3 and paragraph 3 (2) (c) of Schedule 18 of the Primary Industries (Excise) Levies Act 1999, the person on whose behalf the cattle or live-stock are delivered must give the processor a levy exemption certificate - the format of which is available from your nearest LRS office.

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

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

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

#### ARE THERE ANY PENALTIES FOR LATE PAYMENTS OR OTHER OFFENCES?

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

Penalties are also imposed for other breaches of the legislation.

For more information please contact your nearest LRS office.

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

#### DOES GST APPLY TO AUSTRALIAN GOVERNMENT LEVIES/CHARGES?

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

For further information on tax reform, contact the Australian Taxation Office on 132 478 or visit their website at: [www.ato.gov.au](http://www.ato.gov.au).

## WHERE DO I LODGE MY RETURN?

Send your completed returns and payments to:

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

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

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

## WHAT IS THE LEVIES REVENUE SERVICE?

The Levies Revenue Service (LRS) is an organisation within the Australian Government Department of Agriculture, Fisheries and Forestry (DAFF). LRS is responsible for both the collection and distribution of levies to the relevant Research and Development Corporations, Statutory Marketing Authorities, Animal and Plant Health Australia, and the National Residue Survey. LRS is also responsible for the distribution of the Australian Government's matching research and development contributions. LRS collects over 60 different levies and charges from a client base of over 10,000 levy payers.

For more information about LRS, please visit our website at [www.daff.gov.au/levies](http://www.daff.gov.au/levies).

## WHAT IS MEAT AND LIVESTOCK AUSTRALIA?

Australia is one of the world's leading producers of cattle and sheep. The red meat industry chain begins in the paddock and ends on the plate. It comprises many industry associations and private companies that plan and market livestock and meat products. One of these organisations is Meat & Livestock Australia Ltd. Meat & Livestock Australia (or MLA as it is known), first and foremost provides services to its owners – Australia's livestock producers - and offers support to the cattle, sheep and goat industries in strategic planning. The company also provides services to other industry sectors, such as meat processors and live animal exporters. Producers fund MLA through levies collected when livestock is sold. This is supplemented by cooperative contributions from individual processors, wholesalers, food service operators and retailers. Processors and live animal exporters pay levies under contract to MLA. The Australian Government provides funds specifically for research and development. In many cases a research activity is rendered deficient without marketing, and vice versa. The total funding available is around \$103 million each year.

For more information on MLA you can visit their website at: [www.mla.com.au](http://www.mla.com.au).

## WHAT LEGISLATION IS ASSOCIATED WITH THIS LEVY/CHARGE?

The Cattle and Livestock Transaction Levies are imposed and collected under the following legislation:

*Primary Industries (Excise) Levies Act 1999,*  
*National Residue Survey (Excise) Levy Act 1998,*  
*National Residue Survey (Customs) Levy Act 1998,*  
*Primary Industries Levies and Charges Collection Act 1991*  
and associated legislation

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

Copies of the legislation may be obtained via the Internet at [www.comlaw.gov.au](http://www.comlaw.gov.au) or purchased from Canprint Information Services by phoning 1300 656 863.

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

## WHO CAN I CONTACT ABOUT LEVIES?

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

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