



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

## **DAFF Levies**

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/agriculture-food/levies](http://www.daff.gov.au/agriculture-food/levies)

# **INFORMATION ON DAIRY PRODUCE LEVY (Milk Delivered to a Manufacturer)**

## **\*\*IMPORTANT - Dairy Produce Return - NOW AVAILABLE ONLINE\*\***

The Levies Revenue Service has streamlined the process for lodgement of Levy Returns through the new Levies Online system. DAFF Levies' preferred method of lodging returns is online as it enables real time accurate processing of returns and access to online return history. Please contact your state office for more information on how to lodge your levy return through Levies Online. Alternatively, you can go direct to [www.leviesonline.daff.gov.au/LRSONLINE](http://www.leviesonline.daff.gov.au/LRSONLINE) and lodge your return.

## **WHY IS THERE A DAIRY PRODUCE LEVY?**

A levy is payable on dairy produce to provide funding for marketing, research and development carried out via Dairy Australia. A further component is used to fund the Animal Health Australia (AHA) program. DAFF Levies receives the funds and forwards them to Dairy Australia and AHA, in addition to distributing the Australian Government's matching research and development (R&D) contributions. Levies and export charges are introduced and administered by the Australian Government at the request of Industry.

## **WHAT IS THE LEVY PAYABLE ON?**

Levy is payable on relevant dairy produce delivered by a producer to a manufacturer or produced and used by a manufacturer in the manufacturing of dairy produce.

Relevant Dairy Produce means dairy produce that is:

- (a) Whole milk; or
- (b) Whole milk products

## **WHO PAYS THE LEVY AND WHO SUBMITS RETURNS?**

The producer (a manufacturer of or a person who produces, relevant dairy produce) is liable to pay the levy.

Where a producer sells their produce via an intermediary, such as a first purchaser, buying agent or selling agent; the intermediary is liable to pay levy on behalf of the producer. The intermediary must forward the levy to the DAFF Levies section along with return forms which are available from all DAFF Levies offices or by accessing the DAFF Levies website at [www.daff.gov.au/agriculture-food/levies](http://www.daff.gov.au/agriculture-food/levies). The intermediary can recover the amount of levy paid from the producer, by offset or otherwise.

A producer who processes and uses their own whole milk commercially (eg on farm cheese making etc) must submit levy and returns directly to the DAFF Levies as the milk is processed.

## **ARE THERE ANY EXEMPTIONS ASSOCIATED WITH THIS LEVY?**

No exemptions from paying levy currently apply in relation to the Dairy Produce Levy.

## WHAT IS THE RATE FOR THE DAIRY PRODUCE LEVY?

The rate for the Dairy Produce Levy is calculated as follows:

Milk Fat	2.6655 cents per kilogram (litreage X milk fat% = kgs of milk fat)
Protein	6.4943 cents per kilogram (litreage X protein% = kgs of protein)

The sum of levy payable for the milk fat and protein rate components is the total levy payable on Dairy Produce.

**Note:** Levy Rates are current as at 1 January 2012.

Australian Government levies exclude Goods and Services Tax (GST).

## WHEN IS LEVY DUE FOR PAYMENT?

### **Monthly Returns:**

The return together with payment is due within 1 month and 28 days after the end of the month in which delivery/use took place. For example the return with payment for the month of July is due on or before 28 September.

### **Annual Information Return:**

The annual information return is due on or before 28th July. For example the return for the 2010/2011 levy year is due on or before 28th July 2011.

**Note:** The annual information return is an information return only and relates to shareholder entitlements of Dairy Australia.

## GENERAL INFORMATION AND DEFINITIONS

The levy rate is calculated on a per kilogram of milk fat and protein basis. When test results are not available then **default rates** apply i.e. the milk fat rate is currently taken to be 3.2% and the protein content is taken to be 3.0%.

The **producer** is taken to be the person who produces or manufactures whole milk or whole milk products.

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

A return must be in the form of a declaration that the information given is correct in every material particular.

The annual information return must set out:

- 1) ABN No
- 2) Farm Trading Name (farm name, which may be the same as the Legal Name)
- 3) Legal Name attributed to the ABN No (enterprise name)
- 4) Farm Enterprise address (physical location of the farm)
  - a. Address
  - b. State
  - c. Postcode
- 5) Postal Address
  - a. Address
  - b. State
  - c. Postcode
- 6) Contact details (if available)
  - a. Phone Number
  - b. Fax Number
  - c. Mobile number
  - d. Email address
- 7) Total Levy paid by farmer
- 8) Milk fat production on which levy deductions were based
- 9) Protein production on which levy deductions were based
- 10) Litres of Milk produced

Continued Overleaf...

Information about producers may be provided on the reverse of the all dairy produce returns, or provided in an electronic format as shown below. For further advice or arrangements to supply this information, please contact your regional LRS office as listed at the foot of this information sheet.

- a) Microsoft Excel spread sheet
- b) Any type of CVS file format
- c) Any type of text file format
- d) Microsoft Access data base file
- e) Microsoft Word document

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

People who lodge returns to DAFF Levies are required to keep records supporting the information supplied in returns. 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 DAFF Levies 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 is paid in full.

Penalties are also imposed for other breaches of the legislation.

For more information please contact your nearest LRS office.

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

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

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

### HOW DO I LODGE MY RETURN?

Our preferred method of lodgement is through our new Levies Online System.

 **Lodge Online** by going to [www.leviesonline.daff.gov.au/LRSONLINE](http://www.leviesonline.daff.gov.au/LRSONLINE) or

 **Scan and email** a copy of your completed and signed return form to [levies.management@daff.gov.au](mailto:levies.management@daff.gov.au) or

 **Fax** a copy of your completed and signed return form to Free Fax 1800 609 150 or

 **Mail** your completed and signed return form to:

DAFF Levies  
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 please ensure that you have included your business email address on your return form.**

## HOW DO I MAKE PAYMENT?

Our preferred method of payment is Electronic Funds Transfer (EFT). Payments by EFT are secure and assist to reduce processing time and minimise errors.

### EFT

#### **Electronic Funds Transfer (*preferred method of payment*)**

Transfer your payment to the following bank account:

<b>Bank</b>	Reserve Bank of Australia
<b>BSB</b>	092009
<b>Account Number</b>	111700
<b>Account Name</b>	AFFA Official Administered Receipts
<b>Reference</b>	Please enter the prefix LRS followed by your Levies Account Number and your business name in the reference/description. (e.g. <b>LRS12345 AZ Wholesale</b> )



Alternatively, you can pay your levies by mailing a cheque or money order (made payable to DAFF Levies) along with your return form to the address outlined on the previous page.

## WHAT IS DAFF LEVIES?

DAFF Levies is part of the Australian Government Department of Agriculture, Fisheries and Forestry (DAFF) and is responsible for the effective administration, collection and disbursement of levies and charges imposed by Commonwealth legislation on a range of rural commodities and products. DAFF Levies is also responsible for distributing the Australian Government's matching funds for research and development, the basis of which is determined by legislation. Funds are disbursed to the relevant Research and Development (R&D) and Marketing bodies, Animal Health Australia, Plant Health Australia and the National Residue Survey.

It collects over 70 different levies and charges from a client base of over 9 000 levy payers.

For more information about DAFF Levies, please visit our website at [www.daff.gov.au/agriculture-food/levies](http://www.daff.gov.au/agriculture-food/levies).

## WHAT IS DAIRY AUSTRALIA?

Dairy Australia is the national services body for dairy farmers and the industry. Their role is to help farmers adapt to a changing operating environment, and achieve a profitable, sustainable dairy industry.

For more information about Dairy Australia you can visit their website at: [www.dairyaustralia.com.au](http://www.dairyaustralia.com.au) .

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

The levy is imposed and collected under the following legislation:

*Primary Industries Levies and Charges Collection Act 1991*  
*Primary Industries (Excise) Levies Act 1999*  
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. In certain circumstances, the amount of levy paid by individual producers is able to be released to persons authorised under legislation.

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 DAFF Levies office in your State. For those in South Australia, the Northern Territory or Tasmania please contact the Adelaide office. If you are in the ACT, please contact the Sydney office.

<b>Levies Online Helpdesk (for technical assistance only):</b>  Telephone 1800 022 384	<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 3716 9177	<b>Sydney (NSW &amp; ACT)</b>  Telephone 1800 625 103  Fax 02 8334 7135
 E-mail us at: <a href="mailto:Levies.Management@daff.gov.au">Levies.Management@daff.gov.au</a>	 Visit our Website: <a href="http://www.daff.gov.au/levies">www.daff.gov.au/levies</a>

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