

1985

THE PARLIAMENT OF THE COMMONWEALTH  
OF AUSTRALIA

HOUSE OF REPRESENTATIVES

HONEY LEVY LEGISLATION AMENDMENT BILL 1985

EXPLANATORY MEMORANDUM

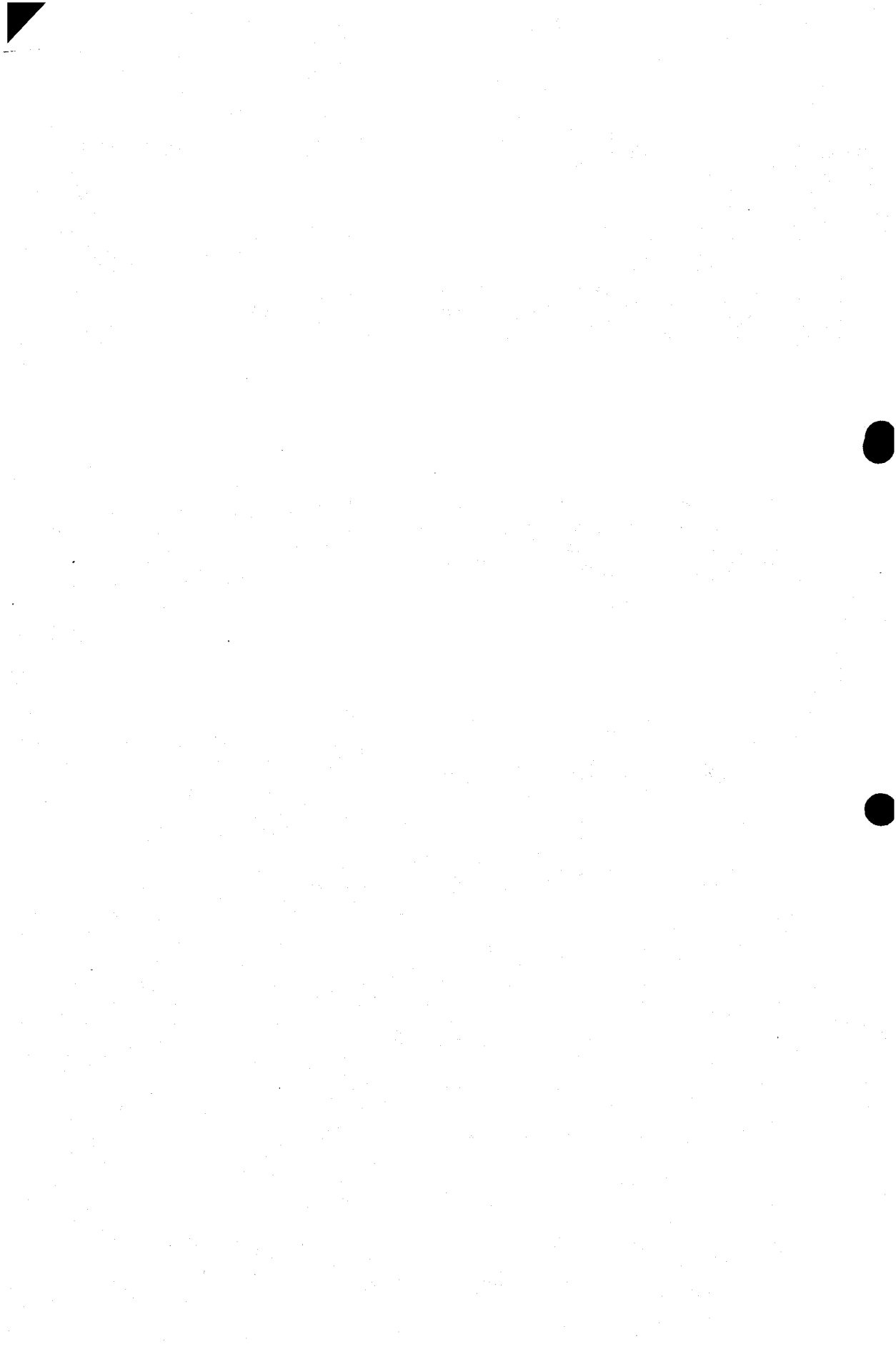
(Circulated by authority of the  
Minister for Primary Industry,  
The Hon John Kerin)



## OUTLINE

- . The Honey Levy Legislation Amendment Bill 1985 has the following main purposes:-
  - (1) to eliminate the need for lodgement of monthly returns by honey producers who sell honey other than to or through a dealer, or use honey in the production of other goods, and instead require annual returns to be lodged on or before 28 February next following the year in which honey was sold or used,
  - (2) to express current monthly exemption limits under the Honey Levy Acts Nos 1 and 2 1962 in annual terms for such producers, and
  - (3) to retain existing provisions for submission of monthly returns by persons other than producers (eg dealers).

The financial impact of these amendments will be minimal. The overall level of collections could possibly be reduced by an amount equivalent to less than 0.25% of total honey levy receipts. The changes will effectively represent a deferral of levy payments by producers and not a reduction in the total amount of levy to be paid. Basically the same amount of levy will be paid in a single annual payment in February each year rather than by twelve monthly payments. The possibility of a small reduction in collections arises because some producers who now occasionally sell or use over 50kgs in a month (and therefore pay levy in that month) may not sell or use over 600kgs in total during the year. Such producers will be exempt from payment of levy for that year.



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NOTES ON CLAUSES

PART I - PRELIMINARY

Clause 1 : Short title

1. This clause provides the mode of citation of the Act.

The Honey Levy Legislation being amended is the  
Honey Levy Act (No 1) 1962  
Honey Levy Act (No 2) 1962  
Honey Levy Collection Act 1962

Clause 2 : Commencement

Sub-clause 2(1)

2. Provides that Sections 1 and 2 of the Act will come into operation on the day on which this Act receives Royal Assent.

Sub-clause 2(2)

3. Provides that the other provisions of this Act will come into operation on 1 January 1986.

PART II - AMENDMENTS OF THE HONEY LEVY ACT (NO 1) 1962

Clause 3 : Principal Act

4. Establishes that references in this part of the Act to the Principal Act are references to the Honey Levy Act (No 1) 1962.
5. The Principal Act imposes a levy on honey produced in Australia and sold.

Clause 4 : Exemptions

Sub-clause 4(a)

6. This amendment excludes honey sold by the producer by prescribed sale from the provisions of sub-section 6A(1) of the Principal Act which provides for a monthly exemption level on sales. There is a parallel change provided for honey usage by the producer contained in the Honey Levy Act No 2 (see item 11).

## Sub-clause 4(b)

7. The new clause 6A(1A) introduces an annual exemption limit for producers and provides that levy is not payable where, in a year, the weight of honey sold by the producer by prescribed sale, together with the weight of honey used by the producer in the production of other goods, is not more than 600 kilograms. Under previous arrangements this exemption level was expressed as 50 kilograms in a month for all persons (see also item 11). Prescribed Sale is defined in Clause 8 (see item 14).

## PART III - AMENDMENTS OF THE HONEY LEVY ACT (NO 2) 1962

8. The amendments in this Part are parallel to those in Part II.

## Clause 5 : Principal Act

9. Establishes that the Principal Act referred to in Part III is the Honey Levy Act (No 2) 1962.
10. The Principal Act imposes a levy on honey produced in Australia and used in the production of other goods.

## Clause 6 : Exemptions

## Sub-clause 6(a)

11. Provides for the exclusion of honey used by the producer from the provisions of sub-section 6A of the Principal Act which provides for a monthly exemption level on honey usage. This change is parallel to that provided in the Honey Levy Act No 1 for sales of honey by the producer (see item 6).

## Sub-clause 6(b)

12. The new clause 6A(1A) introduces an annual exemption limit for producers and it provides that levy is not payable where, in a year, the weight of honey used by a producer in the production of other goods, together with the weight of honey sold by the producer by prescribed sale is not more than 600 kilograms. Under previous arrangements this exemption level was expressed as 50 kilograms in a month for all persons. (This item is similar to item 7). Prescribed Sale is defined in clause 8 (see item 14).

## PART IV - AMENDMENTS OF HONEY LEVY COLLECTION ACT 1962

## Clause 7

13. Establishes the Honey Levy Collection Act 1962 as being the Principal Act for this part of the Act.

## Clause 8 : Interpretation

14. The wording of the basic amendments require the inclusion of new definitions for "prescribed sale" and "year" in Section 3 of the Principal Act.

## Sub-clause 8(a)

15. "Prescribed Sale" refers to honey sold by a producer other than to or through a honey dealer or listed honey dealer. Levy on such sales is payable by the producer, unless the exemption limit applies. For sales to or through a dealer, the dealer remains liable to pay the levy.

## Sub-clause 8(b)

16. The definition of "Secretary" is amended in line with provisions of Public Service reform legislation passed in 1984.

## Sub-clause 8(c)

17. "Year". A period of 12 months commencing on 1 January. This definition is needed to establish the period to which the annual return will relate.

## Clause 9 : Due Date for Payment

18. Amendments to Section 6 of the Principal Act provide for levy to be paid annually on 28 February in the year next following the year in which the producer either sells honey by prescribed sale or uses honey in the production of other goods. For example: levy payable by producers in respect of honey sold or used in 1986 will be due and payable on 28 February 1987.

