

## 2019 ANNUAL LEVY RETURN – FREQUENTLY ASKED QUESTIONS

### **Important notes:**

- The Hort Innovation Constitution can be found at [www.horticulture.com.au/governing-documents](http://www.horticulture.com.au/governing-documents)
- Unless otherwise indicated, a reference in this document to...
  - A **levy** includes a reference to both a statutory levy and a Producer Contribution, and
  - A **levy payer/levy paying Member** includes a reference to a Hort Innovation Member who has paid either a statutory levy or Producer Contributions
  - **Producer Contribution** means the amount paid in each year to a Collective Industry Fund (CIF) by or on behalf of a Producer Contribution payer who or which is a participant in that CIF. CIFs are currently established for the almond, pistachio, pyrethrum and processing tomato industries (almond in addition to the industry's statutory levy). Hort Innovation communications typically refer to Producer Contributions as voluntary levies.

### **Q. What is an Annual Levy Return?**

An Annual Levy Return is how a **levy paying Member** of Hort Innovation can verify the amount of levy paid during a financial year so that voting rights can be calculated.

**Please note:** The Hort Innovation Annual Levy Return is **not** the same as a return submitted to the Department of Agriculture's Levies Office.

The Annual Levy Return also includes verification of the amount of **Producer Contributions** paid by almond, pistachio, pyrethrum, processing tomato industry participants who are Members of Hort Innovation.

### **Q. Why do I need to complete an Annual Levy Return?**

Once voting rights have been calculated and allocated to a Member based on the Annual Levy Return, the Member can vote on a resolution put to the Annual General Meeting (AGM) of Hort Innovation or any other general meeting of Members. If an Annual Levy Return is not completed, a Member will not be entitled to vote.

**Please note:** An Annual Levy Return may be completed by a levy payer. A **levy payer** is the company who is primarily responsible for paying the levy from its income. A company who pays levies to the government after collecting them from other levy payers is a **levy aggregator** and is **not** eligible to complete an Annual Levy Return for those collected levy payments.

## **Q. Who in my company should complete the Annual Levy Return?**

The Annual Levy Return should be completed by a person who is authorised by the Member and has sufficient knowledge to be sure that the Annual Levy Return contains a true and correct estimate of the amount of levy paid during the relevant financial year.

## **Q. I completed an Annual Levy Return last year. Do I have to do it again?**

Yes. In order to be allocated voting rights for the coming year (ie: for the 2019 AGM or any other general meeting of Members through the 2019/20 year), Members must submit an Annual Levy Return for the 2018/19 financial year.

The reason is that the Annual Levy Return you completed last year was for the 2017/18 financial year. In order to verify your status as a current levy payer, and to allocate the appropriate amount of votes to you, you need to let us know the amount of levy you paid in the 2018/19 financial year.

## **Q. Do I need to complete an Annual Levy Return for each of 2016/17, 2017/2018 and 2018/2019?**

The answer to this question depends on each Member's circumstances.

If you did complete an Annual Levy Return for each of 2016/17 and 2017/18:

- A levy paying Member who did complete and submit an Annual Levy Return in both 2017 and 2018 will only need to complete an Annual Levy Return for the 2018/19 financial year.

If you did not complete an Annual Levy Return for either of 2016/17 or 2017/18:

- A levy paying Member who did not complete an Annual Levy Return in 2017 or 2018 may either:
  - (a) Complete and submit an Annual Levy Return for the 2018/19 financial year only, or
  - (b) Complete and submit two or more **separate** Annual Levy Return forms – one for the 2016/17 financial year, one for the 2017/18 financial year, and one for the 2018/19 financial year.

**Please note: In order to be allocated voting rights for the coming year, all levy paying Members must submit an Annual Levy Return for the 2018/19 financial year.**

Where an Annual Levy Return has not been received for either of the 2016/17 or 2017/18 financial year, the levies paid in that year will be treated as zero. **This will reduce the number of votes allocated** (see **How are voting rights calculated?** below).

## **Q. I cannot find the horticultural product I grow on the Annual Levy Return. Why?**

The horticultural products listed on the Annual Levy Return form are all of the products for which Hort Innovation received, and managed, levies collected by the Australian Government in the 2018/19 financial year.

If you grow a horticultural product that is not listed:

- You may not pay a levy on that product, or
- You may pay a levy, or other fee or financial contribution, received and managed by an organisation other than Hort Innovation, or
- The levy or Producer Contribution may not have been paid in the 2018/19 financial year.

**For example:** The **ginger** levy is received and managed by Rural Industries Research and Development Corporation (**RIRDC**), not Hort Innovation

More information about horticultural levies can be found on the Department of Agriculture's website at [www.agriculture.gov.au/ag-farm-food/levies/rates#horticulture](http://www.agriculture.gov.au/ag-farm-food/levies/rates#horticulture)

## **Q. How do I know if I pay a levy or a Producer Contribution?**

Statutory levies are required to be paid by all producers of the horticultural products listed on the Annual Levy Return form. This amount may have been deducted from payments that you received for your produce at a point in the supply chain, and then passed on to the Australian Government on your behalf.

If you are unsure as to whether you have paid a levy, or the amount of levy you may have paid, more information about horticultural levies can be found on the Department of Agriculture's website at [www.agriculture.gov.au/ag-farm-food/levies/rates#horticulture](http://www.agriculture.gov.au/ag-farm-food/levies/rates#horticulture), including the rates of levy for each horticultural product.

Producer Contributions are amounts paid voluntarily by participants in the almond, pistachio, pyrethrum and processing tomato industries to their relevant industry body – being Almond Board of Australia Inc., Pistachio Growers' Association Inc., Botanical Resources Australia Pty Ltd and Australian Tomato Research Council Inc. respectively. These contributions are collected for the purpose of funding research and development services through Hort Innovation. The voluntary contributions made by participants in the almond industry are in addition to that industry's statutory levy.

If you grow almonds, pistachios or pyrethrum or are a processing tomato producer and are unsure as to whether you have paid a Producer Contribution, please contact the organisation listed above as applicable.

## **Q. I pay a levy on behalf of other growers, does that make me eligible to vote?**

No. If you only collect levies from others and then pay these funds to the Australian Government, you are not a ‘levy payer’ for the purpose of receiving voting rights. This activity is better referred to as levy aggregation.

However, if you both collect levies from others **and** pay levies on your own behalf as a horticultural producer, you are a levy paying Member and eligible to submit an Annual Levy Return **for only those levies you pay on your own behalf.**

## **Q. Who is Link Market Services and why I am sending my Annual Levy Return to them?**

Link Market Services (**Link**) is Hort Innovation’s Member Registry Partner, and is a leading global provider of share registry services as part of the Link Group.

Link has been engaged by Hort Innovation since 2015 to assist in management of the Annual Levy Return, voting verification, AGM and proxy voting services.

Link will receive and process all Annual Levy Returns and calculate voting rights in accordance with the Hort Innovation Constitution. The Hort Innovation Company Secretary works closely with Link throughout the process.

## **Q. How long do I have to submit my Annual Levy Return?**

The Annual Levy Return must be received by Link Market Services by **5pm AEST on Friday, 27 September 2019.**

## **Q. What will the information I provide in the Annual Levy Return be used for?**

Member information provided as part of the Annual Levy Return will be used as follows:

- The amount of levy paid will be used for the sole purpose of calculation of the Member voting entitlement. Whilst this information will be stored by Link for use in future voting entitlement calculations, it will not be disclosed to any third party\* or used in any other manner.
- The horticultural products on which levies are paid will be recorded in our Member Register.
- We will update/correct Member information in the Hort Innovation Member Register (for example, ABN or contact details).

\*Hort Innovation may conduct an audit of information provided in an Annual Levy Return, in compliance with its Constitution. In the event Hort Innovation engages a third party to perform this audit, this third party will be required to enter into a Non-Disclosure Agreement prior to being provided access to any Member information.

Also see the Privacy Notice on the Annual Levy Return form.

### **Q. How are voting rights calculated?**

Voting rights are calculated in accordance with Article 6.8(d) of the Hort Innovation Constitution.

The calculation uses both 'Annual Receipts' (levy paid in the 2018/19 financial year) and 'Average Receipts' (average levy paid over the 2016/17, 2017/2018 and 2018/2019 financial years).

### **Q. How much levy do I need to pay to be allocated voting rights?**

A minimum of \$200 in levy needs to have been paid in the 2018/19 financial year for the allocation of voting rights.

### **Q. When will I find out how many votes I have?**

All Voting Members will be notified of their voting entitlement in October 2019.

The voting entitlement issued will remain current from 1 October 2019 to 30 September 2020.

### **Q. How can I get further information about the Annual Levy Return process?**

If you have questions that are not covered by this FAQ, you can:

- Contact Link Market Services (Hort Innovation's Member Registry partner) on **1800 660 083** (free call within Australia). This telephone number is dedicated to assist Hort Innovation levy paying Members with their queries  
**OR**
- Contact the Hort Innovation Company Secretary at [companysecretary@horticulture.com.au](mailto:companysecretary@horticulture.com.au).