

Australian Government

Australian Fisheries Management Authority

AFMA Levy Arrangements Guide

2022-23



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Management and Research Levy arrangements for 2022–23

This guide provides answers to the most frequently asked questions regarding annual levy charges and the terms surrounding payment of levies. It also contains some background information on the cost recovered budget and rate changes for each fishery for the 2022–23 financial year.

What is the levy for?

Levy is charged to Commonwealth concession owners to cover the annual costs associated with managing Commonwealth fisheries. Commonwealth concession owners are required to contribute to the cost of managing the fishery in which they own a fishing concession.

The main components that impact cost recovered fishery budgets are shown in the graph below.



Figure 1 Cost Recovery Breakdown 2022–23

Does the Government contribute to the cost of managing Commonwealth fisheries?

The Australian Government does contribute to the cost of managing Commonwealth fisheries. The amount the government contributes is based on AFMA's Cost Recovery Implementation Statement (CRIS) which was prepared in accordance with the Australian Government's Cost Recovery Policy.

As part of the Government's structural adjustment package relating to the buyout of boat statutory fishing rights, \$1 million in levies relief was provided to Commonwealth Trawl Sector of the Southern and Eastern Scalefish and Shark Fishery in 2022–23.

What period of time does my levy relate to?

Your levy covers the period 1 July 2022 to 30 June 2023.

When will I receive a levy invoice and when is my payment due?

If you are the owner of a leviable Commonwealth fishing concession you will be issued three invoices throughout the first five months of 2023. Each invoice will be for approximately one third of your total annual levy. The table below sets out when levy invoices will be issued and when payment is due:

Table 1 Levy invoicing and payment schedule for 2022-23

Levy invoice	Expected issue date	Due date
1	10 January 2023	7 February 2023
2	14 March 2023	11 April 2023
3	2 May 2023	30 May 2023

How much levy do I have to pay this year?

The table on <u>page 14</u> lists the levy rates for all Commonwealth fishing concessions for 2022–23. Your levy is calculated by multiplying the number of concessions you own on the day of invoicing by the rate of that particular type of concession.

Why has the amount I pay for my levy changed this year?

AFMA recovers the costs of managing each fishery in accordance with the CRIS. If the costs of management go up or down, the amount to be collected from concession holders also goes up or down. Your levies may have increased or decreased this year depending on a change in costs that need to be recovered from your fishery, or a change in who is required to pay those costs.

A list of which fisheries have had levy decreases or increases in 2022–23 and the reasons for those changes starts on <u>page 10</u>.

Is the levy subject to Goods & Services Tax (GST)?

Levies are excluded from GST. As such AFMA does not issue a tax invoice for levies. AFMA's Australian Business Number is 81 098 497 517.

How do I pay my levy?

Each year AFMA receives levy payments by direct deposit that it cannot match to an invoice as no reference numbers have been provided. Please ensure this does not happen to you by including your levy reference numbers when making all payments by these methods.

The reference number on each invoice is unique and allows AFMA to confirm your payment.

AFMA offers a number of payment methods:

BPAY

BPAY is a national phone and internet payment system supported by all major banks and is the preferred method of payment. If you decide to pay your levy using BPAY there are a few things you will need to do:

- use the biller code and reference number provided on the PAYMENT OPTIONS page of your invoice.
- retain the transaction or reference number issued by BPAY for your records.
- allow yourself plenty of time if you intend to use this service. The average processing time is 2–3 working days but this may vary from bank to bank.

Direct Deposit to the National Bank Australia

Payment of your levies may be made by a direct deposit into AFMA's bank account at any branch of the National Australia bank. AFMA's banking details can be found on the PAYMENT OPTIONS page of your levy invoice or reminder notice.

Please ensure you use the correct account details as they may change from the previous year and include your invoice reference number. Using out-of-date account details or failing to include your reference number may interfere with the correct recording of a payment made.

Credit Card

Please note an additional one per cent surcharge may be applied if AFMA officers process your credit card payment.

To pay by credit card, complete the credit card details on the PAYMENT OPTIONS page of your levy invoice and:

- fax it to 02 6225 5440, or
- post it to AFMA, PO Box 7051, Canberra Business Centre, Canberra ACT 2610.

What if I am having trouble paying my levy?

If you are having difficulty paying your levy by the due date, please contact AFMA as soon as possible on 1300 723 621 to discuss what payment options may be available to you.

If you do not pay your levy by the due date, AFMA will issue an overdue notice. The overdue notice will advise:

- that the levy amount is overdue and will incur a penalty of 20 per cent per annum (calculated daily), on the overdue amount
- if no payment is received within 14 days from the date of the overdue notice, any relevant fishing concessions can be suspended, and
- if the levy remains unpaid, the relevant fishing concessions can be cancelled and legal action commenced to recover the debt.

AFMA will take all reasonable measures to ensure all levies are recovered. Regardless of whether you were the concession owner that was issued the original levy invoice or not, AFMA reserves the right to suspend or cancel a concession due to outstanding levies or penalties relating to the concession. For this reason, AFMA recommends that you check on the status of levy payments before purchasing or leasing concessions.

How do I enter into an arrangement to pay my overdue levy?

A concession holder can request to enter into an arrangement to pay overdue levy and any associated penalties. To request an arrangement to pay a concession holder must contact AFMA as soon as possible on 1300 723 621 to discuss payment options. Note that there is also a one-off administration fee of \$220 to set up an arrangement to pay.

In accordance with the *Fisheries Management Act 1991*, entering into an arrangement to pay the 2022–23 levies does not exclude the concession owner from accruing penalty. Penalty is calculated at the rate of 20 per cent per annum (calculated daily) on overdue amounts.

A request to enter into an arrangement for the payment of overdue debt must be submitted in writing to AFMA and must set out a proposed payment plan together with any necessary justification.

In an application to enter into an arrangement to pay, a concession holder must include:

- a repayment schedule which:
 - includes an initial payment of \$220 administration fee and 25 per cent of the outstanding levy debt
 - o includes monthly payment instalments of 25 per cent of the outstanding debt.
- an acknowledgment that failure to pay any of the instalments by the due date will result in the immediate suspension of their concession(s) and the remainder of the debt will become immediately payable
- acknowledgement that penalty will accrue on outstanding amounts, and
- a commitment to make payment on or before the due dates of the plan.

AFMA's consideration of an arrangement to pay

In considering whether or not to enter into an arrangement for payment of overdue levy, AFMA will consider:

- the management arrangements applicable to the fishery for which the request has been made
- statements and evidence from the applicant in relation to their financial situation
- previous payment history
- the timing of payments of the overdue debt.

If AFMA agrees to an arrangement for payment, a letter will be forwarded which:

- sets out the conditions and terms applying to the arrangement
- sets out the schedule of payments
- advises that if any repayment is missed the balance will immediately become due and payable and the fishing concession(s) will be suspended, and
- who to contact regarding the arrangement.

What if I don't make a payment or enter into an arrangement to pay?

Once an invoice has been issued permanent transfers will not be registered until any outstanding levy and/ or associated charges relating to AFMA concessions are paid in full.

All levies are a debt due to the Commonwealth of Australia. AFMA has an obligation to collect the levy once an invoice has been issued.

Overview of cost recovered budget and levy collection

Despite inflation, AFMA's cost recovered budgets for fisheries management have remained relatively consistent since 2005. In 2010 AFMA made a commitment to the Commonwealth fishing industry that it would keep levies at or below the rate applied in 2005–06 once corrected for Consumer Price Index (CPI) increases. Since making this undertaking in 2010, AFMA has outperformed the cumulative CPI by more than \$66 million, that is, industry has paid \$66 million less than it would have done if CPI increases had been applied each year.



Figure 2 AFMA Actual Levies vs CPI Adjusted Levies

For 2022–23, the total AFMA budget (excluding Torres Strait Fisheries) that is subject to cost recovery is \$15.886 million. This is an increase of 2.1 per cent or \$333,779 on the previous year.

The amount to be collected from the fishing industry each year comprises the budgeted cost recovery amount, plus or minus the acquittal from the prior financial year. In addition, AFMA collects a research levy of 0.25 per cent of each fishery's gross value of production (GVP) on behalf of the Fisheries Research and Development Corporation (FRDC).

The levy amount to be collected for Commonwealth fisheries (excluding the FRDC research component) in 2022–23 is \$12.861 million. This is a decrease of 7.3 per cent on the \$13.868 million levied in 2021–22.

AFMA has kept costs down through creating efficiencies across the organisation including contracting and market testing of key fisheries management services, the implementation and use of technology-based solutions such as electronic monitoring and identifying and removing unnecessary regulation.

Across all fisheries the total levy amount for 2022–23 has decreased compared to 2021–22, however the levy amount for each fishery may vary substantially due to several factors including:

- changes in management and research priorities for each fishery
- adjustment for prior year over/under collections, and
- changes in priorities through the financial year that alter the amount of resources required to administer the fishery.

Fisheries in which levies have decreased for 2022–23

Coral Sea Fishery

There has been an 80.1 per cent (\$97,633) decrease in the levy payable for 2022–23 (\$24,226) compared to the 2021–22 levy (\$121,858).

The decrease in the cost recovered budget for 2022–23 combined with an underspend in 2020–21 followed by an overspend in 2021–22 has substantially decreased the levy amount payable for the fishery.

Eastern Tuna and Billfish Fishery

There has been a 14.4 per cent (\$232,847) decrease in the levy amount payable for 2022–23 (\$1,381,881) compared to the levy amount payable for 2021–22 (\$1,614,728).

This decrease is mainly due to a large underspend of the 2021–22 budget in relation to costs associated with the management of domestic commercial fisheries.

Macquarie Island Toothfish Fishery

There has been a 9.7 per cent (\$31,622) decrease in the levy payable for 2022–23 (\$294,317) compared to the levy payable in 2021–22 (\$325,939).

There were consecutive under collections in 2020–21 and 2021–22, which although partially offset by an increase in observer costs in 2021–22, has resulted in a decrease in the levy amount payable.

Small Pelagic Fishery

There has been a 6.5 per cent (\$53,630) decrease in the levy amount payable for 2022–23 (\$773,946) compared to the levy amount payable for 2021–22 (\$827,576).

An over collection in 2021–22 (mostly due to less staff time spent on management and travel associated with management advisory committee (MAC) and resource assessment group (RAG) meetings) reduced the cost recovered budget for 2022–23 resulting in a reduction in the levy amount payable.

Southern Bluefin Tuna Fishery

There has been an 8.0 per cent (\$121,049) decrease in the levy amount payable for 2022–23 (\$1,387,133) compared to the levy amount payable for 2021–22 (\$1,508,182).

There was an over collection for 2021–22 and a decrease in the budget (primarily due to reductions in species and environmental management and monitoring and data collection), which has resulted in a decrease in levy payable.

Southern and Eastern Scalefish and Shark Fishery

Commonwealth South East Trawl Sector

There was a 27.3 per cent (\$738,400) decrease in the levy amount payable for 2022–23 (\$1,969,429) compared to the levy payable for 2021–22 (\$2,707,829).

Although the cost recovered budget increased for 2022–23, the increase was partially offset by an overcollection in 2021–22. However, the main factor in the lower levy amount payable is attributable to the Government's structural adjustment package relating to the buyout of boat statutory fishing rights in this sector of the fishery. As part of this package, \$1 million in levies relief was provided to this sector in 2022–23.

Gillnet Hook and Trap Sector

There was a 11.3 per cent (\$289,764) decrease in the levy amount payable in 2022–23 (\$2,264,253) compared to the levy amount payable for 2021–22 (\$2,554,016).

The total levy payable has been reduced due to an underspend in 2021–22 (resulting mostly from lower fishery specific monitoring costs recovered under co-management, and lower electronic monitoring costs) reducing the cost recovered budget for 2022–23.

Southern Squid Jig Fishery

There has been a 7.7 percent (\$12,294) decrease in the levy amount for 2022–23 (\$146,466) compared to the levy amount payable for 2021–22 (\$158,761).

The cost recovered budget for 2022–23 was reduced due to an overcollection in 2021–22 which has, in turn, reduced the levy amount payable.

Western Deepwater Trawl Fishery

There has been a 2.2 per cent (\$1,311) decrease in the levy amount payable for 2022–23 (\$57,370) compared to the levy amount payable for 2021–22 (\$58,681).

An over collection in 2021–22 (driven largely by lower than budgeted observer costs due to limited activity in the fishery), has reduced the cost recovered budget for 2022–23 resulting in a reduction in the levy amount payable.

Western Tuna and Billfish Fishery

There has been a 15.4 per cent (\$38,426) decrease in the levy amount payable for 2022–23 (\$211,347) compared to the levy amount payable for 2021–22 (\$249,773).

An over collection in 2021–22 has reduced the cost recovered budget for 2022–23 resulting in a reduction in the levy amount payable.

Fisheries in which levies have increased in 2022–23

Bass Strait Central Zone Scallop Fishery

There has been a 13.8 per cent (\$47,421) increase in the levy amount for 2022–23 (\$392,217) compared to the levy amount payable for 2021–22 (\$344,796).

While there was a decrease in the 2022–23 budget compared to 2021–22, due largely to a decrease in data collection and management, there was not the same level of budget underspends in 2021–22 as committee meetings were held face to face and staff time was allocated to progress the review of the harvest strategy.

Eastern and Western Skipjack Fisheries

There has been a 14.8 per cent (\$4,859) increase in the levy payable for 2022–23 (\$37,668) compared to the levy payable for 2021–22 (\$32,808).

The cost recovered budget for 2022–23 has increased slightly on the budgeted amount for 2021–22 which has led to the increase in the levy amount.

Heard Island and Macdonald Islands Fishery

There has been a 22.0 per cent (\$264,684) increase in the levy amount payable for 2022–23 (\$1,466,746) compared to the levy amount payable for 2021–22 (\$1,202,062).

The increase is primarily due to above budget expenditure for observers in 2021–22 and an increase in budgeted observer costs for 2022–23.

North West Slope Fishery

There has been a 30.2 per cent (\$17,715) increase in the levy payable for 2022–23 (\$76,318) compared to the levy payable in 2021–22 (\$58 602).

The cost recoverable budget decreased compared with 2021–22. However, a lower underspend against the 2021–22 budget compared with 2020–21 has offset this decrease, resulting in an overall increase in the total levy payable for 2022–23.

Northern Prawn Fishery

There has been a 1.2 per cent (\$22,206) increase in the levy amount payable for 2022–23 (\$1,833,486) compared with the levy amount for 2021–22 (\$1,811,280).

While there was a decrease in budget for 2022–23, the underspend against the 2021–22 budget was less than the underspend against the 2020–21 budget, which has resulted in a small increase for the 2022–23 levy amount.

Southern and Eastern Scalefish and Shark Fishery

Great Australian Bight Sector

There has been an 87.0 per cent (\$253,005) increase in the levy amount payable for 2022–23 (\$543,763) compared to the levy payable for 2021–22 (\$290,758).

The reduction in the overcollection for 2021–22 compared to 2020–21 combined with an increase to the 2022–23 cost recovered budget have resulted in a net increase to the levy amount payable.

Commonwealth Fisheries Levy Rates for 2022–23

Table 2 Commonwealth Fisheries Levy Rates for 2022–23

Fishery	2022–23 (\$)
Bass Straight Central Zone Scallop Fishery	
Commercial scallop quota SFR	0.9093
Coral Sea Fishery	
Tier 1 permit	1,576.67
Tier 2 permit (aquarium fish sector)	187.00
Tier 2 permit (lobster and/or trochus sectors)	187.00
Tier 2 permit (line sector)	748.00
Tier 2 permit (sea cucumber sector)	187.00
Eastern Skipjack Fishery	
Eastern Skipjack permit	1,215.10
Eastern Tuna and Billfish Fishery	
Albacore Tuna quota SFR	0.0855
Bigeye Tuna quota SFR	0.1569
Broad Billed Swordfish quota SFR	0.2219
Longline boat SFR	3,692.00
Minorline boat SFR	1,940.10
Striped Marlin quota SFR	0.0321
Yellowfin Tuna quota SFR	0.4503
Heard Island and McDonald Islands Fishery	
Mackerel Icefish quota SFR	27.6951
Patagonian Toothfish quota SFR	27.6951

Fishery	2022–23 (\$)
Macquarie Island Toothfish Fishery	
Patagonian Toothfish quota SFR	16.1123
Northern Prawn Fishery	
Northern Prawn Gear SFR	55.97
North West Slope Trawl Fishery	
North West Slope Trawl Permit	11,432.29
Small Pelagic Fishery	
Australian Sardine quota SFR	0.0108620
Eastern sub-area Blue Mackerel quota SFR	0.0221220
Eastern sub-area Jack Mackerel quota SFR	0.0108620
Eastern sub-area Redbait quota SFR	0.0108620
Western sub-area Blue Mackerel quota SFR	0.0221220
Western sub-area Jack Mackerel quota SFR	0.0108620
Western sub-area Redbait quota SFR	0.0108620
Southern and Eastern Scalefish and Shark Fishery	
Autolongline permit	4,201.82
East Coast Deep Water Trawl permit	555.46
Gillnet boat SFR	6,280.47
GHT fishing permit	2,347.57
GHT trap permit	23,884.02
GAB trawl boat SFR	54,376.29
Scalefish hook boat SFR	2,635.85
Shark hook boat SFR	4,439.98

Fishery	2022–23 (\$)
Trawl boat SFR	0.00
Victorian Coastal Waters fishing permit	714.17
Alfonsino quota SFR	0.00146
Bight redfish quota SFR	0.00629
Blue eye trevalla quota SFR	0.18062
Blue grenadier quota SFR	0.31447
Blue warehou quota SFR	0.00012
Deepwater shark (Eastern) individual transferable quota unit	0.10456
Deepwater shark (Western) individual transferable quota unit	0.11885
Deepwater flathead quota SFR	0.00713
Elephant fish quota SFR	0.11645
Flathead quota SFR	0.03144
Gemfish (Eastern) quota SFR	0.06789
Gemfish (Western) quota SFR	0.06643
Gummy shark quota SFR	0.43397
Jackass morwong quota SFR	0.00071
John dory quota SFR	0.00098
Mirror dory quota SFR	0.00000
Ocean perch quota SFR	0.02927
Orange roughy (Albany and Esperance) quota SFR	0.00165
Orange roughy (Cascade Plateau) quota SFR	0.06162
Orange roughy (Eastern) quota SFR	0.02353
Orange roughy (Southern) quota SFR	0.00235

Fishery	2022–23 (\$)
Orange roughy (Western) quota SFR	0.00143
Oreo individual transferable quota unit	0.02081
Smooth Oreo (Cascade Plateau) individual transferable quota unit	0.00191
Smooth Oreo (other) individual transferable quota unit	0.02933
Pink ling quota SFR	0.18792
Redfish quota SFR	0.00012
Ribaldo individual transferable quota unit	0.10836
Royal red prawn quota SFR	0.01876
Saw shark quota SFR	0.14117
School shark quota SFR	0.35088
School whiting quota SFR	0.03585
Silver trevally quota SFR	0.00020
Silver warehou quota SFR	0.00006
Southern Bluefin Tuna Fishery	
Southern Bluefin tuna quota SFR	0.2772
Southern Squid Jig Fishery	
Southern Squid Jig gear SFR	31.203
Western Deep Water Trawl Fishery	
Western Deepwater Trawl permit	5,267.64
Western Skipjack Fishery	
Western Skipjack permit	1,215.10
Western Tuna and Billfish Fishery	
Western Tuna and Billfish longline boat SFR	933.58

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Fishery	2022–23 (\$)
Bigeye Tuna quota SFR	0.0418
Broadbill Swordfish quota SFR	0.0418
Striped Marlin quota SFR	0.0418
Yellowfin Tuna quota SFR	0.0418

AFMA contacts

If you have any questions regarding the levies for your fishery, please contact the relevant Fishery Manager:

Table 3 Fishery contacts

Fishery	Contact	Telephone
Bass Strait Scallop Fishery	Steve Hall	02 6225 5341
Coral Sea Fishery	Jeremy Smith	02 6225 5407
Eastern Tuna and Billfish Fishery	Kate Martin	02 6225 5392
Heard Island and McDonald Islands Fishery	Danait Ghebrezgabhier	02 6225 5329
Macquarie Island Toothfish Fishery	Danait Ghebrezgabhier	02 6225 5329
North West Slope Fishery	Jeremy Smith	02 6225 5407
Northern Prawn Fishery	Jeremy Smith	02 6225 5407
Southern and Eastern Scalefish and Shark Fishery		
Commonwealth Trawl Sector	Mark Grubert	03 5155 6425
Great Australian Bight Trawl Sector	Mark Grubert	03 5155 6425
Gillnet Hook and Trap	Lara Ainley	02 6225 5373
Eastern and Western Skipjack Fishery	Kate Martin	02 6225 5392
Small Pelagic Fishery	Steve Hall	02 6225 5341
Southern Bluefin Tuna Fishery	Matthew Daniel	02 6225 5338
Southern Squid Jig Fishery	Steve Hall	02 6225 5341
Western Deep Water Trawl Fishery	Jeremy Smith	02 6225 5407
Western Tuna and Billfish Fishery	Kate Martin	02 6225 5392

If you have any questions regarding payment of levies please contact:

Table 4 Levy payment enquiries contact

Finance	Contact	Telephone
Senior Debt Recovery Officer	Simone Pont	02 6225 5343