

17th June 2010

Biosecurity Costs Regulations and Levies Review Project

The Biosecurity (Costs) Regulations 2010 (the Regulations) and the Biosecurity (System Entry Levy) Order 2010 (the new levy order) will come into effect on 01 July 2010.

The new Regulations and the new levy order will bring a number of changes to the structure of charges paid by importers to MAF for biosecurity clearance of imported goods and other related activities at the border.

Permits to Import

The processing of an application for a permit, or the amendment to a permit, under import health standards will be \$163.00 for applications received on or after 1 July 2010.

Importation and Clearance of Compliant Live Animals (including Germplasm)

There are a number of changes to the manner in which charging for the clearance of live animals is undertaken.

- Live animals imported directly into New Zealand from a European Community¹ member country that comply with the requirements will be charged at the current rate of \$28.70 per animal for the inspection.
- Pet animals imported from any other country (not a member of the European Community) that comply with the requirements will be charged a flat fee of \$40 per animal.
- Live animals imported from any non European Community country that are not pet animals and that comply with the requirements will be charged at \$100 per hour per inspector or veterinarian involved in the clearance.
- There is no fee for assistance animals, e.g. guide dogs, imported from any country, if the animal is accompanying the person who requires assistance.

Inspection and Monitoring of Live Animals in Transit or Containment

For animals on board craft within New Zealand or being held within transitional or containment facilities, activities will be charged at \$100 per hour per inspector or veterinarian.

In the case of animals held in transitional or containment facilities having been imported directly from a European Community member country, the current rate of \$96.10 per hour for each veterinary inspector involved will remain.

¹Agreement between the European Community and New Zealand on Sanitary Measures Applicable to Trade in Live Animals and Animal Products.

The New Biosecurity (System Entry Levy) Order 2010

From 1 July 2010, the new levy will be invoiced on MAF's behalf by the New Zealand Customs Service (Customs). The new levy of \$12.50 will be charged at the same time as Customs invoices for the Import Entry Transaction Fee (ITF). On the same invoice, the new levy will be identified as the "Biosecurity Levy".

For further information on the Biosecurity cost recovery changes, please refer to the MAFBNZ web page at <http://www.biosecurity.govt.nz/regs/cont-carg/costs-regs-levy-orders-project>

Changes to the New Zealand Customs Service cost recovery

From 1 July 2010, the New Zealand Customs Service will begin applying an import transaction fee (ITF) of \$24.75 (\$22 plus GST) to a range of import consignments which were previously exempt from the fee.

Generally the import transaction fee will apply to goods valued over \$400 but at times packages valued at less than \$400 will attract the fee. Further details are available on Customs' website www.customs.govt.nz

The import transaction fee will from 1 July 2010 be charged on:

- private import consignments valued at between the *de minimis* (around \$400 if there is no import duty to pay and freight costs are minimal) and \$1,000;
- unaccompanied passengers' baggage and personal effects where these exceed \$400 in value;
- "voluntary" import entries for consignments valued at below the *de minimis*; and
- temporary import entries.

GST rate increase from 1 October 2010 – Impact on fees and charges

In May 2010 the Government announced that the GST rate will increase from 12.5% to 15% from 1 October 2010.

Under section 78 of the GST Act, the amount of fees and charges set by the Regulations and the levy rate prescribed by the new levy order, including its maximum amount, will be deemed to increase automatically by the amount of the increase in GST.

The project team will advise you on details of the new GST-inclusive fees and charges applicable from 1 October 2010 through the next two issues of the project review newsletter planned for July and August 2010.