**Red Meat Levy – Questions and Answers**

Following numerous queries regarding the Red Meat Levy, I have prepared the following Q&A which I hope will answer your many questions and provide a better understanding of your obligations.

Q: **How did the red Meat Levy come about?**

A: The Red Meat Industry Forum(RMIF) applied to the government for the introduction of a Proportional Transaction statutory levy in terms of the Marketing of Agricultural Products Act , 1996(Act No. 47 of 1996) (the MAP act) in 2005. Three ancillary statutory measures, the registration, keeping and rendering of records and returns and establishment of levy and guideline prices was also requested and granted.

Q: **What are the funds used for?**

A: Members of the RMIF, attend to the needs of the various players in the meat industry they represent. SAMPA is one of 13 member organization’s making up the RMIF, funds received are used for product compliance testing and industry liaison.

Q: **Who administers the collection of Records and Returns?**
A: The task of collecting information and records and returns was outsourced to the Red Meat Levy Administrators (Pty) Ltd (RMLA). They handle the administration of the red meat levy and in particular the collection of the funds due in terms of the returns furnished by the levy payers.

Q: **What does it mean for my business?**

A: All users or sellers of red meat products must register with the RMLA (See attached Registration Form). Once the RMLA receive your completed registration documents they will contact you regarding the monthly submission of production data.

Q: **Do I have to register?**

A: Yes, the Red Meat Levy is a statutory levy, if you sell or trade in red meat or their by-products you are legally required to register and submit records each month to the RMLA as well to pay the appropriate levy amounts.

Q: **How much do I have to pay?**

A: The fees are determined by the Minister of Agriculture and are published annually in the Government Gazette. (See the GG attached)

**For meat processors the levy is 2,26c per kg on all red meat and pork used in red meat products.**

 **For retail outlets selling red meat or red meat products it is R741.00 excl. VAT per outlet per annum.**

Q: **How often do I have submit records to the RMLA?**

A: Monthly records must be submitted to the Levy Administrator by the 14th of each month, payments for that month must be paid within 7 days.

**Q: For Processed Meat companies how does the levy actually work?**
A: Any red meat including offal from B**eef, Lamb or** Goatthat is used in the production of value added product will attract a levy of 2,26c per kg. (R 0.0226 per kg)

Q: **Does MDM or Chicken fall into the Red Meat Levy?**

A: No

Q: **Does imported red meat fall under the levy?**

A: No, as the importer will already have paid an import levy on all imports.

Q: **What about Pork?**

A: Only pork used in ***combination*** with red meat e.g. Boerewors or Sausage will attract the 2,26c per kg levy

Q: **Does bacon, gammon and ham fall under the Levy?**

A: No they don’t as they don’t contain red meat in their finished state.

Q: **If I have a factory and a retail butchery can I only pay the R741.00 excl. VAT per annum per retail outlet?**
A: No, these are two separate business units , the retail outlet must pay the per annum fee of R741.00 excl. VAT **and** the factory must pay the Red Meat Levy per kg on all production that contains red meat.

Q: **What if I don’t register or pay?**

A: This is a statutory levy and is like Tax or VAT, it is a criminal offence to avoid payment. The RMLA can go back 3 years to recover monies not paid plus interest.

Q**: How long is the levy still going to be in place?**

A: The new extension to the 5th levy period runs until 4th November 2022.

Q: **What happens after 4th November 2022?**

A: The RMIF will be revisiting the red meat levy to determine the best way forward after 2022. Once more details are available SAMPA members will be informed.

If you have any queries please contact Peter Gordon on 083 2553486 or peter@sampa.org.za.

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