April 2025

Guide to the Vegetables and Fruit Commodity Levy

Horticulture New Zealand (HortNZ) is the voice of New Zealand's 4,300+ commercial fruit and vegetable growers, working to ensure they have the support, environment, and opportunities to thrive.

As an incorporated society with a strong presence across the country, we champion growers' interests at every level -- providing leadership, advocacy, and influence for grower success.

HortNZ doesn't just represent growers, we stand alongside, driving a stronger, more sustainable future for New Zealand horticulture.

In 2024, HortNZ held a referendum asking growers to vote on a new compulsory levy affecting all commercial fruit and vegetable growers. Growers voted yes to the levy which came into effect in April 2025.

Do I have to pay or collect a levy?

All commercial growers of the fruit and vegetables listed in Tables 1 and 2 (on pages 2-3) are legally required under the Commodity Levies (Vegetables and Fruit) Order 2024 to pay a levy on the sale of those fruit and vegetables grown in New Zealand.

You can read the levy order legislation here: **www.legislation.govt.nz**.

For more detailed information on the HortNZ levy, growers and collection agents call **0508 467 869**.

Do I have to pay any other levies on my fruit and vegetables?

Some horticultural crops are also represented by Product Groups, individual crops are affiliated too. These Product Groups are seperate from HortNZ - most have Commodity Levy Orders which require growers to pay a levy to them also. A list of commodity levies applying to fruit and vegetables can be found here: **www.legislation.govt.nz**.

Process Vegetables NZ (PVNZ) is a Product Group affiliated to HortNZ. PVNZ is funded by a Commodity Levy. Any levy payable by process vegetable growers is paid to HortNZ.

How is the levy to be paid?

Collection agents

If you buy fruit and/or vegetables from growers for resale, export or for processing, or sell fruit and/or vegetables on behalf of a grower (as a wholesaler, agent, broker, etc.) you are liable to collect the levy. You must submit payments to HortNZ with the HortNZ *Buyer Created Invoice*, which can be downloaded here: **www.hortnz.co.nz**. Levy collectors are required to pay by the 20th of the month following the purchase.

Direct sales

If you are a grower and you sell fruit and/or vegetables that you have grown yourself directly to the public e.g. gate or roadside sales, internet sales, farmers or flea markets, restaurants or own exports, you must complete a Direct Levy Declaration each year, covering the 12-month period from 1 April to 31 March.

What crops does the levy have to be paid on?

The following fruit grown in New Zealand for commercial purposes are covered by the Commodity Levies (Vegetables and Fruit) Order 2024, and incur a levy payable to HortNZ.

Imported fruit and vegetables are not levied.

Fruit

Including all fruit listed in **Table 1** and their hybrids grown for commercial purposes (including commercial processing).

Table 1 – fruit that will be levied

Apples	**Guavas**
Asian pears	**Kiwiberries**
Avocados	**Kiwifruit**
Babacos	**Loquats**
Blackberries	**Passionfruit**
Boysenberries	**Persimmons**
Casanas	**Quinces**
Cherimoyas	**Sapotes**
Citrus (including grapefruit, lemons, limes, mandarins, oranges and tangelos)	**Summerfruit** (including apricots, cherries, nectarines, peaches and plums)
European pears	**Tamarillos**
Feijoas	

What is the levy rate for fruit?

The HortNZ levy rate for fruit (as defined in **Table 1**) is 0.14% (14c per $100 of sales). The Commodity Levies (Vegetables and Fruit) Order 2024 imposes levies for fruit. The levy funds HortNZ activity.

Vegetables

Including all vegetables listed in **Table 2** and their hybrids grown for commercial purposes (including commercial processing).

What is the levy rate for vegetables?

The HortNZ levy rate for vegetables (as defined in **Table 2**), is 0.14% (14c per $100 of sales). The Commodity Levies (Vegetables and Fruit) Order 2024 imposes levies for vegetables. The levy funds HortNZ activity.

TABLE 2 – vegetables that will be levied

Artichokes (globe and Jerusalem)	**Gherkins**	**Salad leaves**
Asian vegetables	**Herbs** (including basil, bay, borage, caraway, chervil, chives, coriander, dill, fennel, horseradish, lemon balm, marigold, marjoram, mint, nasturtium, oregano, parsley, rosemary, sage, savory, sorrel, tarragon and thyme)	**Salsify**
Asparagus		
Beans (excluding field-dried beans)		**Scallopini**
		Scorzonera
Beetroot		**Shallots**
Boxthorn	**Indian vegetables**	**Silverbeet**
Broccoflower	**Kohlrabi**	**Spinach** (including water spinach)
Broccoli	**Kumara**	**Spring onions**
Brussels sprouts	**Leeks**	**Sprouted beans and seeds**
Burdock	**Lettuces**	**Squash**
Buttercup squash	**Marrows**	**Swedes**
Cabbage	**Melons** (including water, green netted, honey dew, bitter, rock, white musk and prince)	**Sweetcorn** (including baby corn)
Capsicums		**Taro**
Carrots	**Okra**	**Tomatoes**
Cauliflower	**Onions**	**Turnips**
Celeriac	**Parsnips**	**Ulluco**
Celery	**Peas** (excluding field-dried peas)	**Watercress**
Chilli peppers	**Potatoes** (including seed potatoes)	**Witloof** (or chicory or endive)
Chokos	**Puha**	**Yakon**
Courgettes	**Pumpkin**	**Yams**
Cucumbers	**Purslane**	**Zucchinis**
Eggplant (or aubergine)	**Radishes** (including Chinese radish and daikon)	
Florence fennel		
Garland chrysanthemum	**Rakkyo**	
Garlic	**Rhubarb**	

How will the levy be calculated?

For domestic sales, the levy is calculated as a percentage of the **price received** at the first point of sale and exclusive of GST.

For exported produce, the levy is calculated as a percentage of the **price received** by the grower after deduction of all offshore costs (including international freight). If the produce is processed prior to the first point of sale, the levy will be calculated on the notional process value, which is the amount of money that the grower would have received if the produce had been sold to a processor instead of processed by the grower.

Calculating payments due

Collection Agents

Deductions from the grower should total the amount of the levy plus GST. The example in Table 3, shows how it works:

TABLE 3 – example of collection agent's calculation of levy

How will the levy be calculated?

Sales value		**$1,000.00**
Levy due at 0.14% of sales		$1.40
Less collection fee (from 0% to 4%*)	0.06	
Levy due after deduction of collection fee at 4%		**$1.34**
Plus GST (15%)	0.20	
Total owed to HortNZ (incl GST)		**$1.54**

*collection fee at collector's discretion

The figures in **Table 3** are rounded. So, in the example in **Table 3**, HortNZ would be owed $1.54 on $1,000 of product. Note that the collection fee is calculated as a percentage of the total levy collected.

Collection agents should use a HortNZ *Buyer Created Invoice* form when making payment. The completed form must be returned to HortNZ, and a copy retained for the collection agent's records. If you require an electronic copy of the *Buyer Created Invoice* please email **levy@hortnz.co.nz** or phone **0508 467 869.**

Can I claim levy collection fees?

Levy collectors may charge a collection fee of up to 4% of the amount of levy collected (exclusive of GST) plus the GST payable. This fee is deducted before payment to HortNZ.

What are the penalties for late payment?

Any amount of levy (or GST payable on the levy) that has not been paid by the latest day for payment may incur a 5% penalty. A further 2% penalty may be charged at the end of each additional month that payment is outstanding.

What about GST?

The levies and collection fees attract GST.

Key points

For collection agents (wholesalers, processors, retailers, agents, brokers etc)

- Collection agents are all individuals or businesses that buy from growers for resale, export or for processing, and/or sell fruit and/or vegetables on behalf of a grower (as a wholesaler, agent, broker, etc).
- Levy deductions are made at the time the grower is paid. The collection agent then pays them to HortNZ by the 20th of the following month.
- The levy is a cost against the grower, not the agent or buyer.
- Although growers pay the levy, it is the responsibility of the levy collector to deduct the levy from payments to the growers, and to account for these deductions to HortNZ.
- A collection fee of up to 4% of the levy collected may be paid by HortNZ to the agent or buyer to cover the costs of levy collection.

For direct levy payers (growers)

- If you are a grower and you sell fruit and/or vegetables that you have grown directly e.g. gate or roadside sales, internet sales, farmers or flea markets, restaurants or own exports, you must pay levies directly to HortNZ.
- You must complete a HortNZ *Direct Levy Declaration* each year, covering the 12-month period from 1 April to 31 March.
- Payments must be received by 30 June or a penalty may be incurred.
- If you are a grower and you do not make any direct sales, your levy will be paid via a collection agent.

Retaining and returning records

All payments of levy (by growers and collection agents) made to HortNZ must state the value and kinds of fruit and/or vegetables the payment is for. This can be done by completing and returning the HortNZ *Direct Levy Declaration* (growers) or *Buyer Created Invoice* (collection agents) with payment.

Additionally, growers and collection agents must retain records for at least two years of:

- The amount of levy paid; and,
- The sales that the levies were deducted from; and,
- Growers must retain the name and address of the collection agent if applicable; and,
- Collection agents must retain the details of the growers they have collected levies from (including grower's name, trading name and postal address).

Growers and collection agents must provide these records in writing, if requested by HortNZ, as soon as is reasonably practical.

Where should I send payments?

Levy payments should be made by direct credit to:

Horticulture New Zealand Inc
Bank account number: **02-0500-0793676-00**.

Questions and answers

Who set the new levy rates?

The rates were voted on by growers in the 2024 levy referendum.

Why do we need a levy at all?

Without a levy, HortNZ, the organisation representing the interests of commercial fruit and vegetable growers, would cease to operate. HortNZ works to help growers make more informed decisions for their business, provides tools, resources and services to lift productivity and profitability and, to ensure growers voices are heard at all levels.

Do I have to collect the levy?

Yes, if you buy fruit and/or vegetables from, or sell fruit and/or vegetables on behalf of growers you are legally required to deduct the levy from payments to growers and pay the levy collected on to HortNZ.

Can HortNZ put the levy rate up beyond the maximum level voted on by growers?

No, not without the approval of at least 50% of growers in the respective sector by volume and turnover. This would require holding another referendum under the Act.

Where can I get more information?

If you have any questions about HortNZ, the levy payable or you need copies of any forms please call **0508 467 869** or email **levy@hortnz.co.nz**.

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