

**CANADIAN BEEF CHECK-OFF AGENCY** 

146, 6715 8<sup>th</sup> Street NE Calgary, AB T2E 7H7 p. 403.451.0917 f. 403.275.9288

## Canada's National Beef Import Levy

**Information for Beef Importers** 

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To Whom it May Concern:

#### Re: Import Levy on beef cattle, beef and beef products imported into Canada

The Canadian Beef Check-Off Agency (the Agency) is the organization mandated to promote the marketing and production of beef cattle, beef and beef products for the purposes of interprovincial, export and import trade. In order to support its business plan, the Agency is empowered by the federal Farm Products Agencies Act (<u>R.S.C.1985, c. F-4</u>) to impose levies or charges on persons engaged in sale of cattle within Canada, and the importation of beef cattle, beef or beef products into Canada.

Funds collected from the Beef Cattle Research, Market Development and Promotion Levies Order, which includes the import levy, are used to fund research, marketing and promotion of beef cattle, beef, and beef products.

Funds remitted through the import levy are invested in programming focused on increasing the demand for beef in Canada. The programming focuses on the <u>ThinkBeef.ca</u> website, and other health and wellness, culinary and educational programming within the Canadian market, to ensure that beef remains on the plates of Canadian consumers.

The value set for the import levy is the same as the value paid by domestic cattle producers, which is currently the equivalent of \$1 CAD per head. Momentum continues to build to increase the current \$1 CAD per head to \$2.50 CAD per head to reach the goals set out by the five national organizations in the <u>National Beef Strategy</u>. The increase will take time to implement fully across the country, as each province will increase based on their own process, objectives and priorities.

The following package has been designed to provide you and your organization with the relevant information you will need to understand the import levy, your rights and obligations, and to prepare to remit the fee based on importation data collected through the Canada Border Services Agency.

The Agency looks forward to creating a positive working relationship with your organization to the benefit of all stakeholders in the beef industry in Canada.

Yours very truly,

Melinda German General Manager

## History of the Beef Cattle Research, Market Development and Promotion Agency

In 1993 the Federal Government enacted amendments to the Farm Products Agencies Act to enable the formation of national promotion and research agencies under the supervision of the Farm Products Council of Canada (FPCC). The Act gives the Governor General of Canada the authority to create an agency for promotion and research relating to any farm product except those governed by marketing boards. The FPCC assumes supervisory authority over the Agencies created under the Act.

On January 17, 2002, a Proclamation of the Governor General of Canada created an agency specifically responsible for research, market development and promotion of beef cattle, beef, and beef products in Canada. It provided that:

- 8. The Agency is authorized to
  (a) promote the marketing and production of beef cattle, beef, and beef products for the purposes of interprovincial, export and import trade; and
  (b) Conduct and promote research activities related to those farm products
- **10.**(1) The Agency may, for the purpose of implementation or administration of the *Plan*,

(a) by order or regulation, impose levies or charges on persons engaged in the marketing of beef cattle in interprovincial or export trade; and

(b) by order or regulation, impose levies or charges on persons engaged in the importation of beef cattle, beef or beef products into Canada.

## Development of the Canadian Beef Cattle Check-Off (including the Import Levy)

In 2002, many of the Provinces already had a levy on the sale of cattle within their province enabled under Provincial regulation. The Provincial cattle associations then worked together to develop a coordinated national approach to manage the Canadian Beef Cattle Check-Off (check-off) collection and management of national and international marketing and research programs. Thus the Canadian Beef Cattle Research, Market Development and Promotion Agency was mandated to establish a further non-refundable \$1.00 check-off on all cattle sold in Canada in interprovincial trade, to be applied to research, market development and promotion for the beef industry.

In 2005, the Beef Cattle Research, Market Development and Promotion Levies Order was put in place, enacting the check-off.

By 2010, each of the provinces of Canada had aligned their regional regulations and entered into an agreement by which a \$1.00 non-refundable check-off was delivered to the Agency on all sales of beef in Canada.

On June 5, 2013, the Beef Cattle Research, Market Development and Promotion Levies Order was gazetted, which amended it to include the import levy which had been mandated as part of the Proclamation in 2002.

Both national and provincial groups across the country have been working hard on the National Beef Strategy to show the benefits that the industry could see from an increased check-off. Most provinces will have begun collecting an increased check-off of \$2.50 (up from \$1) sometime in 2018. To attain national treatment, and collect the equivalent amount on imported beef, the country needs to show a national collection of the \$2.50.

#### **Calculation of the Import Levy**

The import levy is set up to be equivalent to the domestic check-off of \$1.00 per head or carcass equivalent. The Beef Cattle Research, Market Development and Promotion Levies Order lays out a formula where each product code (HS code) is assigned a levy value per pound or kilogram. The levy formula is based off the U.S. import levy. The *Tariff Item Numbers* table is included in this document.

#### **Collection of the Import Levy**

The Agency is the organization responsible for administering the domestic and import levy collection and remittance. To manage the import levy, the Agency works closely with the FPCC and Agriculture and Agri-Food Canada. Along with Government, the Agency considered a number of levy collection mechanisms after which it was determined that the most expedient method to collect was to generate invoices based on the information received on all beef, beef cattle and beef products imported into Canada from Agriculture and Agri-Food Canada Border Services Agency. The information on the invoices is generated based on the importer's business identification number; HS codes of imported product; quantity of imported product; and levy rate. A sample invoice is included with this package.

#### Invoicing

Based on the information received from Canada Border Services Agency, Agriculture and Agri-Food Canada prepares invoices, which are securely delivered to Canada Beef for distribution and collection. Please note that the schedule is expressed in cents per pound, not dollars per pound, so the listing of .301/lb, is actually \$0.00301.

For this system to work efficiently, it is important that all participants in the process pay close attention to the accuracy of their data entry to ensure invoice amounts are correct. All importers should verify the data on the invoice against their own records and report any discrepancies to the Agency.

#### **Data Collection and Confidentiality**

As the Import Levy proceeded through its legislative stages, an agreement was completed between Canada Border Services Agency and Agriculture and Agri-Food Canada for transmission of data on imports of beef, beef cattle and beef products. Once that was completed, Agriculture and Agri-Food Canada and the Agency completed an agreement for the transfer of information in a secure manner to the Agency for purposes of invoicing and collection of the levy. This agreement contains very restrictive provisions to ensure that the strictest confidentiality will be applied to the information being transferred. This information can and will only be used for the purposes of determining and collecting the import levy.

#### **Refund Process/Appeals**

The Beef Cattle Research, Market Development and Promotion Levies Order provides that:

12. The Agency shall refund a levy paid by an importer if the importer proves to the satisfaction of the Agency that the levy was not required to be paid under subsection 11(1) or that the levy paid under that subsection was more than \$1.00 per head of beef cattle or per carcass equivalent of imported beef products.

The process for a refund will begin with a written request to the Agency, setting out with reasonable detail the rationale for the refund. A review will be done by the Agency and a decision rendered. There is a process in place for complaints to the FPCC regarding the actions of any Agency.

#### **Enforcement and Audit**

There are certain record requirements for each importer. Each importer must keep all records on their importation of beef, beef cattle and beef products, necessary to verify such imports and the levies paid, for a period of seven years after the date of import. These records must be made available for examination by the Agency upon request. The levy is collectable by the Agency on the basis of a creditor collecting a debt from a debtor, so enforcement may be made by court action. The invoice will provide for interest on overdue amounts and for collection to be made in the Courts of the Queen's Bench in Calgary.

#### For More Information

For further information contact: Melinda German General Manager mgerman@nco.canadabeef.ca (403) 451-0917

#### TARIFF ITEM NUMBERS AND RELATED LEVIES FOR IMPORTED BEEF PRODUCTS

Last amended June 14, 2018

#### (http://laws-lois.justice.gc.ca/eng/regulations/SOR-2016-236/page-4.html#h-8)

Column 1	n 1 Column 2		Column 4
Customs Tariff Tariff Item No.	Class of imported beef product under the Customs Tariff	Cents/lb	Cents/kg
	Meat of bovine animals, fresh or chilled – 0201 Carcasses and half-carcasses – 0201.10		
0201.10.1010	Meat of bovine animals, fresh or chilled Carcasses and half-carcasses - Within access commitment - Veal	0.662	1.459542
0201.10.1090	Meat of bovine animals, fresh or chilled Carcasses and half-carcasses - Within access commitment - Other	0.172	0.379102
0201.10.2010	Meat of bovine animals, fresh or chilled Carcasses and half-carcasses - Over access commitment - Veal	0.662	1.459542
0201.10.2090	Meat of bovine animals, fresh or chilled Carcasses and half-carcasses - Over access commitment - Other	0.172	0.379102
	Other cuts with bone in – 0201.20		
0201.20.1010	Meat of bovine animals, fresh or chilled Other cuts with bone in - Within access commitment - Veal	0.172	0.379102
0201.20.1080	Meat of bovine animals, fresh or chilled Other cuts with bone in - Within access commitment - Other, processed	0.241	0.530743
0201.20.1093	Meat of bovine animals, fresh or chilled Other cuts with bone in - Within access commitment - Other: - Loin	0.172	0.379102
0201.20.1099	Meat of bovine animals, fresh or chilled Other cuts with bone in - Within access commitment - Other: - Other	0.172	0.379102
0201.20.2010	Meat of bovine animals, fresh or chilled Other cuts with bone in - Over access commitment - Veal	0.172	0.379102
0201.20.2091	Meat of bovine animals, fresh or chilled Other cuts with bone in - Over access commitment - Other: - Rib	0.241	0.530743
0201.20.2093	Meat of bovine animals, fresh or chilled Other cuts with bone in - Over access commitment - Other: - Loin	0.241	0.530743
0201.20.2099	Meat of bovine animals, fresh or chilled Other cuts with bone in - Over access commitment - Other: - Other	0.172	0.379102

Column 1	Column 2		Column 4
Customs Tariff Tariff Item No.			Cents/kg
	Boneless – 0201.30		
0201.30.1010	Meat of bovine animals, fresh or chilled Boneless - Within access commitment - Veal	0.232	0.511787
0201.30.1095	Meat of bovine animals, fresh or chilled Boneless - Within access commitment - Other: - Loin	0.241	0.530743
0201.30.1099	Meat of bovine animals, fresh or chilled Boneless - Within access commitment - Other: - Other	0.172	0.379102
0201.30.2010	Meat of bovine animals, fresh or chilled Boneless - Over access commitment - Veal	0.232	0.511787
0201.30.2060	Meat of bovine animals, fresh or chilled Boneless - Over access commitment - Other, processed	0.241	0.530743
0201.30.2092	Meat of bovine animals, fresh or chilled Boneless - Over access commitment - Other: - Chuck	0.232	0.511787
0201.30.2093	Meat of bovine animals, fresh or chilled Boneless - Over access commitment - Other: - Rib	0.232	0.511787
0201.30.2094	Meat of bovine animals, fresh or chilled Boneless - Over access commitment - Other: - Hip	0.232	0.511787
0201.30.2095	Meat of bovine animals, fresh or chilled Boneless - Over access commitment - Other: - Loin	0.232	0.511787
0201.30.2099	Meat of bovine animals, fresh or chilled Boneless - Over access commitment - Other: - Other	0.232	0.511787
	Meat of bovine animals, frozen – 0202 Carcasses and half-carcasses – 0202.10		
0202.10.1010	Meat of bovine animals, frozen Carcasses and half-carcasses - Within access commitment - Veal	0.662	1.459542
0202.10.1090	Meat of bovine animals, frozen Carcasses and half-carcasses - Within access commitment - Other	0.172	0.379102
0202.10.2010	Meat of bovine animals, frozen Carcasses and half-carcasses - Over access commitment - Veal	0.662	1.459542
0202.10.2090	Meat of bovine animals, frozen Carcasses and half-carcasses - Over access commitment - Other	0.172	0.379102
	Other cuts with bone in – 0202.20		
0202.20.1010	Meat of bovine animals, frozen Other cuts with bone in - Within access commitment - Veal	0.172	0.379102

Column 1	1 Column 2		Column 4
Customs Tariff Tariff Item No.	Class of imported beef product under the Customs Tariff	Cents/lb	Cents/kg
0202.20.1090	Meat of bovine animals, frozen Other cuts with bone in - Within access commitment - Other: - Other	0.172	0.379102
0202.20.2010	Meat of bovine animals, frozen Other cuts with bone in - Over access commitment - Veal	0.172	0.379102
0202.20.2090	Meat of bovine animals, frozen Other cuts with bone in - Over access commitment - Other: - Other	0.172	0.379102
	Boneless – 0202.30		
0202.30.1010	Meat of bovine animals, frozen Boneless - Within access commitment – Veal	0.172	0.379102
0202.30.1070	Meat of bovine animals, frozen Boneless - Within access commitment - Other, processed	0.241	0.530743
0202.30.1081	Meat of bovine animals, frozen Boneless - Within access commitment - Other, quarters: - Forequarter	0.239	0.527837
0202.30.1082	Meat of bovine animals, frozen Boneless - Within access commitment - Other, quarters: - Hindquarter	0.239	0.527837
0202.30.1095	Meat of bovine animals, frozen Boneless - Within access commitment - Other: - Eye of round, outside round, inside round, outside flat and sirloin tip	0.239	0.527837
0202.30.1096	Meat of bovine animals, frozen Boneless - Within access commitment - Other: - Hip	0.239	0.527837
0202.30.1097	Meat of bovine animals, frozen Boneless - Within access commitment - Other: - Loin	0.239	0.527837
0202.30.1099	Meat of bovine animals, frozen Boneless - Within access commitment - Other: - Other	0.239	0.527837
0202.30.2010	Meat of bovine animals, frozen Boneless - Over access commitment - Veal	0.172	0.379102
0202.30.2095	Meat of bovine animals, frozen Boneless - Over access commitment - Other: - Eye of round, outside round, inside round, outside flat and sirloin tip	0.232	0.511787
0202.30.2097	Meat of bovine animals, frozen Boneless - Over access commitment - Other: - Loin	0.232	0.511787
0202.30.2099	Meat of bovine animals, frozen Boneless - Over access commitment - Other: - Other	0.232	0.530743

	Edible offal, fresh, chilled or frozen – 0206		
	Of bovine animals		
Column 1	Column 2	Column 3	Column 4
Customs Tariff Tariff Item No.	Class of imported beef product under the Customs Tariff	Cents/lb	Cents/kg
0206.10.0000	Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen Of bovine animals, fresh or chilled	0.172	0.379102
0206.21.0000	Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen Of bovine animals, frozen: - Tongues	0.172	0.379102
0206.22.0000	Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen Of bovine animals, frozen: - Livers	0.172	0.379102
0206.29.0000	Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen Of bovine animals, frozen: - Other	0.172	0.379102
	Meat and edible meat offal, salted, in brine, dried or smoked		
0210.20.0000	Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal Meat of bovine animals	0.279	0.615701
	Other prepared or preserved meat, meat offal or blood – 1602		
	Of bovine animals – 1602.50		
1602.50.1000	Other prepared or preserved meat, meat offal or blood Of bovine animals - Prepared meals	0.318	0.701388
1602.50.9120	Other prepared or preserved meat, meat offal or blood Of bovine animals - Other: - In cans or glass jars - Corned beef	0.301	0.663428
1602.50.9190	Other: - In cans or glass jars - Other Other prepared or preserved meat meat offal or blood - Of bovine animals -		0.701388
1602.50.9900			0.720293



<IMPORTER NAME TEXT 1> <IMPORTER NAME TEXT 2> <IMPORTER ADDRESS TEXT 1> <IMPORTER ADDRESS TEXT 2> <IMPORTER CITY NAME>, <IMPORTER PROVINCE NAME> <IMPORTER POSTAL CODE>

#### June 15, 2017

#### Invoice / Facture : 20170531

#### 15 juin 2017

By the terms of the National Levy Order, importers of beef cattle, beef and beef products are responsible to pay levy fees to the Canadian Beef Cattle Research, Market Development and Promotion Agency, (Canadian Beef Check-Off Agency) on imported product, to support the promotion, marketing and production of beef.

Your levy amount due and payable to the *Canadian Beef Check-Off Agency* from imports of beef/beef cattle/beef products totals **Cdn \$** 932.4 based on import data received from Canada Border Services Agency for the period of **2017-04-27** to **2017-05-31** as per the attached list of imports.

Please submit your payment (in Canadian funds only) within 15 days of the date of the invoice by cheque to:

Canadian Beef Check-Off Agency

146, 6715 - 8th Street NE Calgary, Alberta, Canada T2E 7H7

Failure to pay invoices within 30 days from the date hereof constitutes an agreement to pay interest @ 2% per month, calculated monthly, and to attorn to the jurisdiction of the Courts of Alberta in Calgary.

If you have any questions or concerns regarding this invoice, please contact:

Conformément à l'ordonnance nationale sur les redevances à payer, les importateurs de bovins de boucherie, de boeuf et de produits de boeuf sont tenus de payer une redevance à l'Office canadien de recherche, de développement des marchés et de promotion des bovins de boucherie (Canadian Beef Check-Off Agency) sur les produits importés pour appuyer la promotion, la commercialisation et la production de boeuf.

Le montant de la redevance à payer à*Canadian Beef Check-Off Agency* pour vos importations de viande de boeuf/bovins de boucherie/produits de boeuf s'élève à

932,4 \$ CA, selon les données d'importation reçues de l'Agence des services frontaliers du Canada pour la période allant du 2017-04-27 au 2017-05-31 (voir la liste des importations ci-jointe).

Dans les 15 jours suivant la date de la présente facture, veuillez envoyer votre paiement (seulement en dollars canadiens) par chèque à l'adresse suivante :

Canadian Beef Check-Off Agency

*6715 8e Rue NE, bureau 146 Calgary, Alberta, Canada T2E 7H7* 

En n'acquittant pas cette facture dans les 30 jours suivant la date de facturation, vous consentez à payer des intérêts de 2 % par mois, calculés mensuellement, et acquiescez à la compétence juridictionnelle des tribunaux de l'Alberta à Calgary.

Si vous avez des questions ou des réserves quant à cette facture, veuillez communiquer avec :

Melinda German, General Manager Canadian Beef Check-Off Agency Telephone / Téléphone : (403) 451-0917 Facsimile / Télécopieur : (403) 275-9288 Email / Courriel : mgerman@nco.canadabeef.ca

CANADIAN BEEF CHECK-OFF AGENCY

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ATTACHMENT

#### Invoice / Facture : 20170531

Pièce jointe

#### Summary of Imports / Résumé des importations

2017-04-27 to/à 2017-05-31

	HS Code Code SH	Quantity (Kg   Head) Quantité (kg   Tête)	Levy Rate (Cents per Kg   \$1 per Head) Taux de la redevance (Cents par kg   1\$ par tête)	Total Owing per HS Code Montant dû par code SH
1	0201.20.2091	4,114.70	0.530743	\$21.84
2	0201.20.2093	2,452.59	0.530743	\$13.02
3	0201.20.2099	3,789.68	0.379102	\$14.37
4	0201.30.1099	47,967.70	0.379102	\$181.85
5	0201.30.2092	9,357.90	0.511787	\$47.89
6	0201.30.2093	1,056.06	0.511787	\$5.40
7	0201.30.2095	60.83	0.511787	\$31.13
8	0201.30.2099	14,035.59	0.511787	\$71.83
9	0202.20.2090	34,294.47	0.379102	\$130.01
10	0202.30.2097	2,624.47	0.511787	\$13.43
11	0202.30.2099	8,635.66	0.530743	\$258.13
12	0206.10.0000	8,686.28	0.379102	\$32.93
13	0206.21.0000	8,387.80	0.379102	\$31.80
14	0206.22.0000	8,001.36	0.379102	\$30.33
15	0206.29.0000	43,446.61	0.379102	\$164.71
16	0210.20.0000	245.28	0.615701	\$1.51
17	1602.50.9900	17,400.00	0.720293	\$125.33





# THINKBEEF

GOODNESS IN EVERY BITE



# Be(ef) inspired.

We're investing to encourage Canadians to think (and Rethink) beef again!

Designed for the consumer and their influencers, **ThinkBeef.ca** works to inspire, enable and encourage consumers to get beef back on their tables and into their menus.

What you'll find at ThinkBeef.ca

- Remarkable beef facts
- Inspiring recipes
- Campaign overviews
- Sharable beef marketing resources

