

Road Transport (Third-Party Insurance) UVP Liability Contribution Guideline 2016 (No 1)*

Disallowable instrument DI2016—270

made under the

***Road Transport (Third-Party Insurance) Act 2008*, section 163D, CTP Regulator must decide contribution for nominal defendant liability**

1 Name of instrument

This instrument is the *Road Transport (Third-Party Insurance) UVP Liability Contribution Guideline 2016 (No 1)*.

2 Commencement

This instrument commences the day after notification on the Legislation Register.

3 Determination of Guidelines for UVP Liability Contribution

I make the guidelines at schedule 1 under section 163D of the *Road Transport (Third-party Insurance) Act 2008*.

4 Determination of amount of UVP liability contributions

I determine that the amount of the UVP liability contribution should be determined in accordance with the guidelines:

Item 1: For a UVP issued for up to 1 day, the relevant 12 month vehicle class average premium x 1/30

Item 2: For a UVP issued for up to 7 days, the relevant 12 month vehicle class average premium x 1/20

Item 3: For a UVP issued for any greater period than 7 days, the relevant 12 month vehicle class average premium x 1/10

Item 4: For a Restricted UVP where a permit is issued for any period exceeding 1 day item 3 applies. If a Restricted UVP is issued for less than a day, then item 1 applies to the calculation.

Terms used are defined in the guidelines at schedule 1.

*Name amended under Legislation Act, s 60

5 Payment of UVP liability contributions

Per section 163E of the *Road Transport (Third-party Insurance) Act 2008*, the person who applies for an unregistered vehicle permit for a motor vehicle must pay the UVP liability contribution to the Road Transport Authority for the period of the permit.

6 Refund of UVP liability contributions

The UVP liability contribution amount is non-refundable.

Karen Doran
CTP Regulator
25 October 2016

1. Definitions

“Average” means the average premium for that CTP vehicle class across all ACT CTP insurers.

“CTP vehicle class” means a CTP premium class as described in Schedule 1, part 1.2, of the *Road Transport (Third-Party Insurance) Regulation 2008*.

“ITC” means input tax credit.

“Nil ITC annual premium” means a CTP premium for which there is no entitlement to claim an input tax credit.

“Premium” is the insurer’s average nil ITC premium for a vehicle class, including GST and the Nominal Defendant Loading but excluding the CTP Regulator Levy for 12 months.

“Restricted UVP” means a UVP issued for a single trip, to move a vehicle from one point to an endpoint in a single journey that terminates whenever the journey is complete. A 2 hour Restricted UVP may be issued for special events.

“UVP” means unregistered vehicle permit issued by the Road Transport Authority.

“1 Day UVP” means a Day UVP issued for up to 12 hours, for use on ACT roads or road related areas only.

“7 Day UVP” means an Unrestricted UVP issued for a period up to seven days for an ACT plated vehicle that has been unregistered for less than 12 months and that is eligible for registration, or that has been inspected in the ACT and not declared as dangerous.

2. Calculation of UVP liability contributions

2.1 The premium used to calculate the UVP liability contribution will be the average of the insurers’ nil ITC premium for the passenger vehicle class under schedule 1 of the *Road Transport (Third-Party Insurance) Regulation 2008* for the registration category of the vehicle (if it were to be registered) on the date of calculation.

2.2 For a 1 Day UVP, the UVP liability contribution will be the relevant 12 month vehicle class premium \times 1/30.

2.3 For a 7 day UVP, the UVP liability contribution will be the relevant 12 month vehicle class premium \times 1/20.

2.4 For a UVP issued for any period greater than 7 days, the UVP liability contribution will be the relevant 12 month vehicle class premium \times 1/10.

2.5 For a Restricted UVP where a permit is issued for any period exceeding 1 day item 2.4 applies to the calculation. If a Restricted UVP is issued for less than a day, then item 2.2 applies to the calculation.

2.6 The calculation of the average premium should be undertaken at least once a year. If the average premium is not calculated in any year, then the UVP liability

Schedule 1

UVP Liability Contribution Guidelines 2016

contribution shall remain unchanged until a revised calculation of the average premium is made.

- 2.7 The Road Transport Authority is to calculate the average premium for a vehicle class and give notice of the amount for each UVP liability contribution as necessary.