

Taxation Administration (Amounts Payable—Motor Vehicle Duty) Determination 2010 (No 2)

Disallowable instrument DI2010–133

made under the

Taxation Administration Act 1999, section 139 (Determination of amounts payable under tax laws)

EXPLANATORY STATEMENT

Purpose

1. The purpose of this instrument is to determine the amounts of duty payable on the application to register a motor vehicle.

Summary

2. The [Taxation Administration Act 1999](#) (TAA) deals with the administration of various tax laws relating to the imposition and collection of certain taxes, duties and licence fees.

3. Section 139 of the TAA empowers the Minister to determine the amount of taxes, duties and licence fees payable under a tax law, including under the [Duties Act 1999](#) (the Duties Act). The Duties Act imposes duty on a range of transactions at determined rates and permits the application, adoption or incorporation of an instrument that is subject to frequent change, such as the Green Vehicle Guide.

4. Previously, the amounts of duty payable on an application to register a motor vehicle were determined by Disallowable Instrument ([DI2010-32](#)) made under the TAA. This instrument revokes DI2010-32, and excludes caravans and camper trailers from the definition of motor vehicle, as a consequence of the abolition of duty on the application to register caravans and camper trailers from 1 July 2010. However, duty will remain payable beyond 1 July 2010 on all other trailers (i.e. goods carrying, box) that are not camper trailers.

5. This instrument determines the differential rates of duty applicable to the application to register a motor vehicle.

6. This instrument provides definitions of terms relevant to motor vehicles under the Green Vehicle Duty Scheme. *Table 1, Green Vehicle Rating* (in paragraph 3 of

the instrument) provides the green vehicle rating of each new vehicle under the scheme that corresponds to its environmental performance score. An environmental performance score is equal to the sum of the vehicle's air pollution rating, and its greenhouse rating. Both ratings are obtained from the "*Green Vehicle Guide*", available at <http://www.greenvehicleguide.gov.au>.

Determination

7. For the purposes of section 208 of the Duties Act, column 2 of *Table 2* section 208 (1) and column 2 of *Table 3* section 208 (2), *Amounts payable – Duties Act* (in paragraph 4 of the instrument) determine the amount of duty payable on the application to register motor vehicles that correspond to the vehicle ratings in column 1.

8. For vehicles that have no green vehicle rating (that is, those that are not new motor vehicles, or that are not included in the Green Vehicle Guide), the amount of duty payable under this instrument is equivalent to the amount of duty payable for a vehicle with a C-rating under the Green Vehicle Guide.

New Motor Vehicles and Demonstrators

9. In order to qualify for the differential rates of duty applicable to green vehicles, a demonstrator vehicle must be sold or otherwise disposed of within 1 year of the date it first became a registered motor vehicle. Demonstrators that do not meet the definition of *demonstrator* under this instrument **and** are not disposed of by a licensed vehicle dealer within 1 year, will not qualify for the differential rates of duty applicable to green vehicles.

10. This instrument specifies that section 47 (6) of the *Legislation Act 2001* does not apply to the Green Vehicle Guide. That section would require the text of the Green Vehicle Guide to be remade as a new Notifiable Instrument every time the Green Vehicle Guide is amended, which is as frequent as 2-3 times per week, whenever a new vehicle model becomes available for sale. The displacement of that section will ensure that the Green Vehicle Guide can be applied automatically for the purposes of this instrument when it is amended by the Commonwealth without the requirement to continually remake it as a Notifiable Instrument.

11. This instrument specifies that vehicles listed under section 208 (2) (b) of the Duties Act, are excluded from the application of amounts payable under Table 3, Paragraph 4 of the instrument, in light of amendments made by the *Duties Amendment Act 2009 (No. 2)*. The rate of duty applicable to these vehicles is determined under Table 2 of the instrument.

Changes in this instrument

12. This instrument updates the previous Disallowable Instrument ([DI2010-32](#)) to exclude caravans and camper trailers from the meaning of a motor vehicle.

Authorised by the Treasurer
Katy Gallagher MLA