

## **Urgent VACC Survey on impacts of super-luxury duty thresholds**

Members had been advised that the Victorian State Budget for 2019/20 was released on, Monday, 27 May 2019. The Budget contained key measures, including the introduction of two super-luxury motor vehicle duty thresholds that will impact some VACC members and consumers. Those thresholds are listed below.

Many LMCTs have contacted VACC with queries and concerns about the new super-luxury duty. VACC requires your input to help arrive at better outcomes for LMCTs.

### **How can you help?**

You can help by providing feedback to VACC about impacts on your dealership of the new super luxury thresholds by [taking this survey](#).

The purpose of the survey results will be to better inform the Government of the unintended outcomes of the duty thresholds. To do this VACC seeks evidence-based arguments including examples of where members have lost a confirmed deal because of the new super-luxury duty. We must draw the government's attention to the unintended outcomes of the thresholds.

A special meeting of LMCTs impacted by the thresholds will be held 11 June 2019. A senior representative from Government will attend. You can lodge your interest in attending this meeting by nominating your business in question 11 of the survey.

### **What other action is VACC taking?**

VACC is communicating twice daily at the highest levels within the Victorian State Government to help deliver a more equitable trading environments for its members.

As a matter of priority, and amongst other things, VACC is seeking an exemption from the new super-luxury duty for dealers to enable dealers to honor pre-existing orders to consumers at the price negotiated before the July 1 super-luxury duty commencement date for vehicles delivered and registered after 30 June 2019.

### **Motor vehicle duty – luxury vehicles**

- From 1 July 2019, motor vehicle duty for used cars valued above the luxury threshold will be charged at \$10.40 per \$200 of market value.
- From 1 July 2019, two new super-luxury thresholds will be introduced. One is for cars valued between \$100,001 and \$150,000 that will be charged duty of \$14.00 per \$200 of market value. The second is for cars valued above \$150,001 that will be charged duty of \$18.00 per \$200 of market value. These new taxes will be on top of the already existing Luxury Car Tax rate for vehicles above \$66,331.
- All low emission cars (with CO2 emissions less than 120g/km) and cars owned by primary producers used in the business of primary production and valued above the luxury car threshold will pay a concessionary duty rate of \$8.40 per \$200 of market value

Please feel free to contact me directly with any queries.

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