

BULLETIN

Industry Divisions



Reference No: Vic Gov COVID-19/mm-04-20

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Dear Member

This is the second of two VACC submissions dealing with threshold criteria and staff level criteria that is working against 70% of the Victorian Dealer cohort. The first submission was forwarded to you on Monday and dealt with VACC's approach to the seeking relief for dealers via the Federal Government COVID-19 Stimulus packages. You will now find [attached](#) the VACC submission to the Victorian Government ***'The case for exemptions from the threshold and staff criteria in the Victorian Govt COVID-19 relief packages for automotive dealer franchises and LMCTS'***.

The submission has been created drawing on data supplied by the Victorian Automobile Dealers Association. The submission will also have relevance to Victorian Farm Machinery, Commercial Vehicle, Used Car and Motorcycle Dealers. The paper is unapologetically data heavy. It is important that the evidence-based portfolios that we have presented in the paper are fully understood by government .

Based on those evidence portfolios presented to government, VACC calls for the implementation of the following recommendations to assist this industry sector in Victoria that has been decimated by COVID-19 pandemic.

Recommendations

1. That the Victorian Government exempt automotive franchise dealers and all Licensed Motor Car Traders (LMCT) from the \$3 million annual wage threshold to enable those businesses to have their payroll tax for the 2019-2020 financial year waived, be eligible for future payroll tax deferrals and refund of payroll tax already remitted.
2. That the Victorian Government exempt all automotive dealers and LMCTS from the less than \$650 thousand payroll criteria applied to the Victorian Government Business Support Fund.
3. That the Victorian Government exempts all automotive dealers and LMCTs from the turnover threshold criteria associated with the Victorian Government Rent Assistance SME Commercial Leasing Principles during COVID-19.
4. That the Victorian Government extend the Land Tax deferral and 25 per cent Land Tax Refund for all automotive dealers and LMCTs.
5. That the Victorian Government assists LMCTs in the sale of vehicle by introducing legislation that will allow for LMCTs to consign a vehicle from the member of the public.
6. That the Victorian Government assist LMCTs and fleet owners (car rental etc.) by allowing for a voluntary suspension of vehicle registration for a 3-month period.
7. Abolish Super Luxury Duty.

It has been delivered to key Ministers in the Victorian Government.

Please feel free to reach out with any queries.

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