

The Victorian Government commits to a Zero Emissions Vehicle (ZEV) Subsidy

VACC franchise dealer members are advised that the Victorian Government announced on Sunday that they will subsidize up to \$3,000 off the upfront purchase price of a new Zero Emissions Vehicle (ZEV). [Please see fact sheet](#) provided to VACC from the Victorian Government.

The Zero Emissions Vehicles Roadmap announced in May 2021, includes a Government set target of 50 per cent of new light vehicle sales to be zero emissions vehicles (ZEVs) by 2030.

What is the government policy moving forward on ZEVs?

To assist the Government arrive at its target, it was today announced that the Victorian Government will provide \$46 million for Australia's first public ZEV Subsidy Program – supporting the purchase of more than 20,000 ZEVs.

How will consumers receive the subsidy?

The program starts from Sunday 2 May 2021, and vehicles purchased from Victorian dealers after this date by eligible Victorians will be able to receive the subsidy.

- The subsidy will be applied to the cost of the vehicle from the point of purchase at the car dealership.
- Victorians will be able to access the subsidy once only and businesses will be able to apply for up to two subsidies at this stage.
- Evidence of Victorian resident status and proof of identity will be confirmed through the registration process.
- The car dealer will claim the subsidy on your behalf when you purchase an eligible ZEV.

Important note for dealers

Victorians will be able to access the subsidy once only and businesses will be able to apply for up to two subsidies at this stage. This will have impacts for dealers who may wish to acquire stock and claim the subsidy.

VACC urges dealers to carefully manage inventory levels of ZEV trading and demonstrator stock until clarity is obtained from the Victorian Government in this regard.

What ZEVs will it apply to?

The vehicle must be a car. Motorcycles and other vehicles are not included in the ZEV Subsidy.

It will apply to vehicles priced with a GST-inclusive value less than \$68,740, excluding stamp duty, compulsory third-party insurance, registration, and other charges.

Are other low emissions vehicles included in the subsidy?

No. Other low emissions vehicles technologies such as plug-in hybrid electric and hybrid vehicles are not eligible for this subsidy.

VACC is still awaiting Government advice on whether they will grant an exemption from Road User Charging for dealer ZEV trading stock.

Next steps

This morning, VACC and VADA attended a specially convened meeting of stakeholder Association and Government agencies.

This meeting will consider the following issues:

- Ensuring access and availability of the subsidy for Victorian customers to purchase a new EVs
- Arrangements for car manufacturers and dealers to make the subsidy available to customers.
- Streamlining delivery of the program
- Issues and challenges including supply chains and facilitating broader product options over time.

I will keep you posted as we move forward.

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