



BULLETIN

Date: 29/06/2023

Today, the Motor Trades Association of Australia (MTAA), along with a number of other major automotive industry associations, met with government regarding the ending of the Temporary Full Expensing Scheme (Instant Asset Write Off) on 30 June 2023.

Our industry has suffered significantly through supply challenges and the inability to supply vehicles is out of the hands of Australian businesses. We have been collaborating with other national auto associations with the view to extending eligibility to allow the instant asset write off for vehicles ordered before 30 June, but not due to arrive until some time after that, being applied.

The industry argument is that vehicles may have been purchased with a view to the purchaser applying the instant asset write off with these vehicles, unbeknown that these vehicles would be held up through manufacturing and supply chain bottlenecks.

Whilst government has been open to dialogue with industry on this matter, we have been informed today that the Scheme will not be extended past 30 June, or allow for the application of the scheme to be applied to vehicles arriving after 30 June. This decision will result in significant vehicle cancellations and a major cost shift to Australian business and we are concerned about the ramifications this may have to car sales.

Whilst this is an unfavorable outcome, the MTAA recognises the government for their continued engagement with Australia's automotive industry.

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Chief Executive Officer

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