

# BULLETIN

## VACC Industry Divisions



Reference No: SRO-08-2019

Date issued: 12/08/2019

### New SRO Draft Revenue Rulings

Members are reminded that the recent Victorian Budget, handed down on 27 May 2019 introduced new rates of motor vehicle duty and a new exemption for service demonstrator vehicles.

As a result, revenue rulings DA-034 and DA-035 that were generated in 2006 have been updated by the State Revenue Office (SRO).

#### Trading stock/demonstrator vehicle exemptions

The new draft Revenue Ruling [DA-034 V2](#) replaces DA-034 and deals with trading stock/ demonstrator stock exemptions and takes into account the exemption from motor vehicle duty (MVD) on the registration or transfer of a service demonstrator vehicle on or after 1 July 2019. This exemption was announced in the Victorian Government's 2019-20 Budget.

VADA members are advised of the following criteria stipulated in DA-034 V2 for their immediate attention and action:

*The motor vehicle does not need to be the same make or type as the customer's vehicle that is being serviced. However, a lower class of vehicle than the customer's current vehicle is likely to be considered a courtesy vehicle rather than a service demonstrator vehicle.*

#### Motor vehicle change of use provisions

The new draft Revenue Ruling [DA-035 V2](#) replaces DA-035 and deals with motor vehicle change in use provisions and takes into account :

- The exemption from motor vehicle duty (MVD) on the registration or transfer of a service demonstrator vehicle on or after 1 July 2019, and
- the change in the rate of MVD payable on a statement of change in use of a motor vehicle.

#### Special arrangements for luxury cars ordered before 27 May 2019

The SRO has also provided advice for the special arrangements for luxury cars ordered before 27 May 2019 because of delayed delivery and that are to be registered after 1 July 2019. You can view that advice [here](#).

#### Other information

The SRO has also invited stakeholder to make commentary on the draft revenue rulings.

VACC will be making a submission on behalf of its LMCT members using feedback provided by those members.

VACC is also awaiting further guidance on other elements for consideration as they relate to the use of SDVs.

Please call me with any queries.

**Michael McKenna MBA**  
Industry Policy Advisor  
Industry Divisions

**VACC**

Level 7 | 464 St Kilda Road | Melbourne Vic 3004

P: 03 9829 1280 | M: 0418 822 939 | F: 03 9867 1795 | W: [vacc.com.au](http://vacc.com.au)