

# BULLETIN

## Victorian Automobile Dealers Association



Reference No: SRO-12-2018

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### Final 2018 Advice to Dealers on SRO Voluntary Disclosure

Victorian Automobile Dealer Association (VADA) members are advised that the VACC request for a postponement of the State Revenue Office (SRO) Voluntary Disclosure (as announced in SRO Bulletin D0-18) and for the applicable retrospective 5 year clawback to be eased has been rejected by the SRO.

#### VACC request for postponement of Voluntary Disclosure

VACC had asked the SRO to postpone the Voluntary Disclosure until the Department of Treasury and Finance Review (DFT) into Section 231 of the Duties Act 2000 Treasurer's review had been finalised.

The postponement would have resulted in a lessening of red tape and unnecessary payment and refund of tax if the SRO was to have agreed.

VACC is disappointed at the SRO approach and is of the view that the collection of duties in this manner is a double taxation. This was never the intention of the original Revenue Rulings announced as devised in 2006.

VACC is also concerned about what methodologies SRO will apply when retrospectively reconciling dealer exemptions as permitted under the current Duties Act and associated Revenue Rulings.

#### The final deadline

VACC has been advised that the final deadline for dealers to voluntarily disclose that they have obtained an exemption from duty on applications for registration or transfer of registration of motor vehicles intended for use as and/or actually used as 'service demonstrator vehicles', 'service loan vehicles' will remain at the previously announced 31 December 2018.

VADA members are reminded that SRO Bulletin D0-18 is quite clear in its reference that this Voluntary Disclosure is only focusing on vehicles intended for use as and/or actually used as 'service demonstrator vehicles', 'service loan vehicles'.

#### Next steps for dealers

VACC urges all VADA members who have not made a decision on what action they will take to make that decision as soon as possible. VACC cannot offer financial or logistical advice as to this Voluntary Disclosure.

#### Next steps for VADA

VADA and its professional advisors will continue to liaise with DTF and the SRO in a bid to have the most sensible reforms applied to the Duties Act 2000.

VADA has the support of the Victorian Treasurer's Office who have acknowledged that the current Duties Act is not reflective of today's dealership model. VACC successfully negotiated with the Treasurer's Office to commit to a review and VACC thanks Treasurer Pallas for his pragmatic approach to this.

VACC CEO, Mr Geoff Gwilym and VADA Chair, Ms Sharon Pask have been invited to meet with Treasurer Pallas to further inform on what reforms should be considered in the proposed review. VACC will keep VADA members advised of the outcomes.

**Michael McKenna MBA**

Industry Policy Advisor

Industry Divisions

Level 7 | 464 St Kilda Road | Melbourne Vic 3004

P: 03 9829 1280 | E: [mmckenna@vacc.com.au](mailto:mmckenna@vacc.com.au) | W: [vacc.com.au](http://vacc.com.au)