

BULLETIN

Victorian Automobile Dealers Association



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Urgent SRO Voluntary Disclosure Update

Members of the Victorian Automobile Dealers Association (VADA) were advised on 4 October 2018 of an announcement from the Victorian Treasurer that he had requested the Department of Finance and Treasury (DFT), in consultation with the State Revenue Office (SRO) undertake a review of Section 231 of the Duties Act 2000 (the Act).

VACC response to the Treasurer's announcement

In response to this announcement, VACC Chief Executive Officer, Geoff Gwilym, wrote to the Commissioner of State Revenue with a recommendation that it was appropriate for SRO to announce a postponement of the current Voluntary Disclosure until the Review had been completed.

VACC and its advisors, Deloitte Tax Services, also met with DTF to put the industry case for how the Review should take place.

Commissioner's Response to VACC request

VACC has received a reply from the Commissioner's Office advising that no postponement to the current Voluntary Disclosure would take place **and the current 31 December deadline would remain**. This response was not unexpected as the SRO had already granted three extensions at VACC's request.

The Commissioner has also advised that if the Government determines that the law should be amended to exempt duty for service demonstrators, that the SRO could apply this exemption once the Review had been completed and once it had been endorsed by the Victorian Parliament. On this basis, the Commissioner has advised that SRO must apply the provisions contained within the legislation and the Voluntary Disclosure in its current form.

Next steps

VADA has met today with Deloitte Tax Services and agree that VACC should continue dialogue with the SRO and DTF in pursuit of minimising the impact of the Voluntary. It is the view of VADA that the SRO will initially not agree to any refunds to dealers if the review outcomes are favourable and that any new rulings would take effect for a yet to be determined future date. VACC and Deloitte will vigorously pursue this outcome and lobby for retrospective exemptions.

VACC will also seek advice from DTF and the Treasurer regarding the timeframe for the Review and push for an expedited outcome.

Other advice

VACC advises VADA members to consult with their own accountants or tax advisors regarding what action you intend to take before the December 31 Voluntary Disclosure deadline.

Please see this [link](#) for further advice from the SRO.

VACC will keep all members advised of any progress and outcomes.

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