

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 2 June – 4 June 2009

Question: bet 42

Topic: Luxury Car Tax – Regulations for 4 Wheel Drives

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Senator Abetz asked:

Senator ABETZ—...I turn to the luxury car tax. How are we going with those regulations for four-wheel drives and the tourism sector?

Ms Barron—Those regulations have been made.

Senator ABETZ—They have been made?

Ms Barron—Yes.

Senator ABETZ—When were they promulgated?

Ms Barron—I would have to take that on notice.

Senator ABETZ—All right.

Ms Barron—My understanding is that it was sometime last year, but I will check on that.

Senator ABETZ—How many claims have been made against them as yet? Do we know? Has that come out in any material as yet?

Ms Barron—I am not aware of any. I am not sure whether the tax office has any data on that that they have collected yet.

Senator ABETZ—Does it work when they put in their tax returns or do they get the benefit immediately upon purchase?

Ms Barron—Immediately upon purchase. That is when the luxury car tax becomes payable.

Senator ABETZ—That is right. That is what I thought. Given it is three, four or five months now I was wondering whether you might have some figures on that?

Ms Barron—I am not aware of any, but I can look it up to see if anybody does.

Senator ABETZ—So, could you take on notice how many have accessed it via the definition of being a tourism operator and also, I think, farmers' four-wheel drives?

Ms Barron—That is correct.

Answer:

The *A New Tax System (Luxury Car Tax) Amendment Regulations 2008 (No. 1)* which defined the meaning of a 'refund eligible car' and 'tourist activity' for luxury car tax

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purposes were made and registered on the Federal Register of Legislative Instruments on 28 November 2008.

The number of taxpayers who have made a refund claim for a four wheel drive vehicle as at 14 July 2009 is 192 of which 191 were issued to primary producers and one to a tourism operator. The Regulations which provide for such claims are taken as having commenced on 1 July 2008.