



**CIRCULAR V.L.D. 1 VEHICLE LICENCE DUTY – THRESHOLD CHANGE
REVENUE LAWS AMENDMENT BILL 2008**

The Treasurer has announced proposed amendments to the *Duties Act 2008* (“the Act”) in his Budget speech to the Parliament on 8 May 2008. These amendments are subject to the passing of the Revenue Laws Amendment Bill 2008 by the Parliament and the granting of Royal Assent.

It is proposed to provide vehicle licence duty relief for vehicles (that are not heavy vehicles) by bringing forward from 1 January 2009 to 1 July 2008 the second \$5,000 increase in thresholds announced as a 2007/08 budget measure.

From 1 July 2008, the amount of duty for the grant or transfer of a licence for a vehicle that is not a heavy vehicle will be:

- (a) If the dutiable value of the motor vehicle does not exceed \$25,000, 2.75% of the dutiable value.
- (b) If the dutiable value of the motor vehicle exceeds \$25,000 but does not exceed \$50,000:

The rate of:

$$\left[2.75 + \left(\frac{DV - 25,000}{6,666.66} \right) \right] \%$$

of the dutiable value (DV).

- (c) If the dutiable value of the motor vehicle exceeds \$50,000, 6.5% of the dutiable value.

The duty payable is rounded down to the nearest 5 cents.

HOW TO OBTAIN FURTHER INFORMATION

The Department of Finance website at www.osr.wa.gov.au will be updated as information on the introduction and progress of the Bill becomes available.

May 2008