



## **CIRCULAR V.L.D. 7    VEHICLE LICENCE DUTY**

### **MOTOR VEHICLE DEALERS RECORD KEEPING REQUIREMENTS**

The *Duties Regulations 2008* (“Duties Regulations”) require motor vehicle dealers to keep certain records.

The explanation provided in this circular is not an exhaustive explanation and reference should also be made to the record keeping requirements for dealers included in the Duties Regulations. For the latest tax information and links to legislation please visit the website at <http://www.osr.wa.gov.au>.

#### **MOTOR VEHICLE DEALERS - RECORD KEEPING REQUIREMENTS**

Duties Regulation 8B requires dealers to keep records for each vehicle in respect of which section 246(1) or (2) or 247 of the *Duties Act 2008* (“Duties Act”) applies.

The records that must be kept are:

- the date of the grant or transfer of the licence of the vehicle;
- for each loan of the vehicle by the dealer described in section 247 of the Duties Act:
  - the date the loan of the vehicle commenced and ceased;
  - name of the charitable organisation, school or individual to which a vehicle is loaned;
  - the purpose for which the vehicle is loaned;
  - a description of the vehicle, including:
    - type;
    - make;
    - model;
    - licence plate number;
    - engine number;
  - if the vehicle is loaned to an individual for a philanthropic purpose, a copy of the Commissioner’s approval.

The accuracy of the records for a vehicle loaned by a dealer described in section 247 of the Duties Act is to be certified to by the dealer and the person responsible for the vehicle while it is on loan.



Furthermore, a dealer must keep the records necessary to enable the Commissioner to determine the dealer's liability under Chapter 5 of the Duties Act. These records include, but are not limited to, copies of:

- contracts of sale/offers to purchase;
- licence/transfer papers;
- relevant retail selling price lists;
- price bulletins and promotional advertisements issued by the manufacturer, importer or principal distributor, where applicable; and
- for 'used' vehicles and heavy vehicles, any additional contracts for the purchase of accessories/aftercare, special builds etc.

### **APPROVED FORMS – COMMISSIONER'S REQUIREMENTS**

Dealers are advised that the Commissioner considers the following forms to be an 'approved form' for the purposes of the vehicle licence duty provisions and it is suggested that copies of completed forms be retained for record keeping purposes:

- **LOAN VEHICLE DEALER'S DECLARATION**

The Loan Vehicle Dealer's Declaration form declares that while the vehicle remains registered in the dealer's name, the loan vehicle will only be used by a charitable organisation, or by a school for driver training, or by an individual for a philanthropic purpose, or for a purpose prescribed in the Duties Regulations.

- **VEHICLE LICENCE DUTY – VEHICLE LICENCES – CHANGE OF USE – EXEMPT TO NON-EXEMPT PURPOSE FORM**

Where a dealer has acquired a vehicle solely for an exempt purpose such as for resale, demonstration or to loan the vehicle for charitable, school driver education, philanthropic or other prescribed purposes, and subsequently the use of the vehicle changes to a non-exempt purpose, vehicle licence duty is chargeable on the grant or transfer of the vehicle licence. The dealer is to complete the Change Of Use – Exempt To Non-Exempt Purpose form and forward to the Commissioner of State Revenue for processing. When calculating the amount of duty payable, the dutiable value of the vehicle is to be determined as at the time of the change of use, pursuant to section 249 of the Duties Act.

For further information on this or other vehicle licence duty issues, please contact the Office of State Revenue on 9262 1108 or 9262 1556 or via web enquiry at [www.osr.wa.gov.au/DutiesEnquiry](http://www.osr.wa.gov.au/DutiesEnquiry).