CIRCULAR V.L.D. 8  VEHICLE LICENCE DUTY
STORM DAMAGED NEW VEHICLES
- 22 MARCH 2010

The Duties Regulations 2008 has been amended by Duties Amendment Regulations 2010 (“the amendment”) to ensure that people purchasing storm damaged new vehicles at reduced prices, as a result of the storms of 22 March 2010, pay vehicle licence duty on these vehicles at their market value and not on the retail selling price (list price) set in Western Australia by the vehicle manufacturer, importer or principal distributor.

The amendment will apply in relation to the grant or transfer of a vehicle licence for a storm damaged new vehicle on or after 23 March 2010. The required regulation was approved and gazetted on 1 April 2010.

Purchasers who paid vehicle licence duty on the higher retail selling price between 23 March 2010 and 1 April 2010 inclusive may apply to the Commissioner of State Revenue for a refund of the difference in duty between the retail selling price and the actual price they paid for the vehicle.

Motor vehicle dealers and purchasers should note that the dutiable value of a storm damaged new vehicle will be calculated using the same method that applies to a vehicle that is not a new vehicle. Please refer to Circular V.L.D. 4 (issued in June 2008) for guidance on the calculation of the dutiable value for vehicles that are not new vehicles.

APPLYING FOR A REFUND

To seek a refund, purchasers will need to make written application to the Commissioner of State Revenue and provide a copy of the relevant sale documentation (supported by the dealer's insurance appraisal for that vehicle) that states that the sale price reduction was due to damage sustained from the storm which occurred in Western Australia on 22 March 2010. If the dealer does not have insurance documentation because they did not have hail damage cover, the purchaser will need to provide a statement signed by the motor vehicle dealer principal that the sale price reduction was due to damage sustained from the storm.

RECORD KEEPING REQUIREMENTS

The Duties Act 2008 requires motor vehicle dealers to keep certain records to enable the Commissioner of State Revenue to determine whether the correct amount of vehicle licence duty has been calculated and remitted. For the purposes of storm damaged new vehicles, the Commissioner requires dealers to keep copies of the contract of sale/offer to purchase together with a
suitable endorsement by the dealer principal supporting that the vehicle is storm damaged. In addition, a copy of an insurance company report or appraisal identifying the vehicle as being one that was damaged as a consequence of the storm that occurred on 22 March 2010 should be attached.

For further information on this or other vehicle licence duty issues, please contact the Office of State Revenue on 9262 1100 or via web enquiry at www.osr.wa.gov.au/DutiesEnquiry.

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