

Taxation Administration (Amounts Payable—Motor Vehicle Duty) Determination 2025

Disallowable instrument DI2025-152

made under the

***Taxation Administration Act 1999*, section 139 (Determination of amounts payable under tax laws)**

EXPLANATORY STATEMENT

Purpose

The purpose of this instrument is to determine the differential amounts of duty payable on the application to register a motor vehicle.

Background

The *Taxation Administration Act 1999* (TAA) deals with the administration of various tax laws relating to the imposition and collection of certain taxes, duties and licence fees.

Section 139 of the TAA empowers the Minister to determine the amount of taxes, duties and licence fees payable under a tax law, including under the *Duties Act 1999* (the Duties Act).

Part 9.1 of the Duties Act imposes motor vehicle registration duty on the application to register a motor vehicle by a new owner.

This instrument commences on 1 July 2025 following the expiry of the *Taxation Administration (Amounts Payable—Motor Vehicle Duty) Determination 2024*, DI2024-136.

Vehicle Emission Reduction Scheme

The Vehicle Emission Reduction Scheme (VERS) charges duty based on rating categories. The rating category of a motor vehicle depends on its environmental performance as measured by the grams of carbon dioxide (CO₂) emitted by the vehicle per kilometre.

Updates

1 July 2025 to 31 August 2025

Duty rates for all vehicles will remain unchanged from 2024-25 figures. This includes nil duty for Category A, Category AA, Category AAA, used eligible hybrids and used eligible PHEV vehicles.

From 1 September 2025

A new rate of duty will be imposed for all vehicles. This includes vehicles that previously had nil duty payable, such as Category A, Category AA, Category AAA and used eligible hybrids and used eligible PHEV vehicles.

The new duty rate will commence on 1 September 2025 for vehicles with a dutiable amount of \$80,000 or more.

The duty figures from 1 September 2025 are provided in Table 1.

Table 1: Duty charges on or after 1 September 2025

	Less than \$45,000	\$45,000 to \$80,000	\$80,000 or more
New and used Category AAA motor vehicle	\$2.50 for every \$100, or part of \$100, of the dutiable value	\$1,125.00 plus \$4.00 for every \$100, or part of \$100, of the dutiable value in excess of \$45 000 but less than \$80 000	\$2,525.00 plus \$8.00 for every \$100, or part of \$100, of the dutiable value in excess of \$80 000
New Category AA motor vehicle	\$2.67 for every \$100, or part of \$100, of the dutiable value	\$1,201.50 plus \$4.41 for every \$100, or part of \$100, of the dutiable value in excess of \$45 000 but less than \$80 000	\$2,745.00 plus \$8.00 for every \$100, or part of \$100, of the dutiable value in excess of \$80 000
New Category A motor vehicle	\$2.84 for every \$100, or part of \$100, of the dutiable value	\$1,278.00 plus \$4.81 for every \$100, or part of \$100, of the dutiable value in excess of \$45 000 but less than \$80 000	\$2,961.50 plus \$8.00 for every \$100, or part of \$100, of the dutiable value in excess of \$80 000
New Category B motor vehicle	\$3.00 for every \$100, or part of \$100, of the dutiable value	\$1,350.00 plus \$5.22 for every \$100, or part of \$100, of the dutiable value in excess of \$45 000 but less than \$80 000	\$3,177.00 plus \$8.00 for every \$100, or part of \$100, of the dutiable value in excess of \$80 000
New motorcycle (other than a Category AAA vehicle)	\$3.00 for every \$100, or part of \$100, of the dutiable value	Duty does not apply to prescribed vehicles valued over \$45 000	Duty does not apply to prescribed vehicles valued over \$45 000.
Used eligible hybrid Used eligible PHEV	\$3.17 for every \$100, or part of \$100, of the dutiable value	\$1,426.50 plus \$5.62 for every \$100, or part of \$100, of the dutiable value in excess of	\$3,393.50 plus \$8.00 for every \$100, or part of \$100, of the dutiable value in excess of \$80 000

		\$45 000 but less than \$80 000	
Non-rated vehicle	\$3.17 for every \$100, or part of \$100, of the dutiable value	\$1,426.50 plus \$5.62 for every \$100, or part of \$100, of the dutiable value in excess of \$45 000 but less than \$80 000	\$3,393.50 plus \$8.00 for every \$100, or part of \$100, of the dutiable value in excess of \$80 000
New Category C vehicle	\$3.17 for every \$100, or part of \$100, of the dutiable value	\$1,426.50 plus \$5.62 for every \$100, or part of \$100, of the dutiable value in excess of \$45 000 but less than \$80 000	\$3,393.50 plus \$8.00 for every \$100, or part of \$100, of the dutiable value in excess of \$80 000
New Category D motor vehicle	\$4.53 for every \$100, or part of \$100, of the dutiable value	\$2,038.50 plus \$7.81 for every \$100, or part of \$100, of the dutiable value in excess of \$45 000 but less than \$80 000	\$4,772.00 plus \$8.00 for every \$100, or part of \$100, of the dutiable value in excess of \$80 000

Determination

For the purpose of section 208 (1) of the Duties Act, columns 2 and 3 of Table 1 (in section 6 of the instrument) sets out the amount of duty payable on the application to register motor vehicles that correspond to the vehicle categories in column 1.

- Column 2 prescribes the charges applicable to the relevant period – 1 July 2025 to 31 August 2025.
- Column 3 prescribes the changes applicable to the relevant period – on or after 1 September 2025.

For the purpose of section 208 (2), columns 2 and 3 of Table 2 (also in section 6 of the instrument) sets out the duty payable in relation to vehicles that correspond to the categories in column 1 for vehicles valued between \$45,000 and \$80,000.

- Column 2 prescribes the charges applicable to the relevant period – 1 July 2025 to 31 August 2025.
- Column 3 prescribes the changes applicable to the relevant period – on or after 1 September 2025,

For the purpose of section 208 (2), columns 2 and 3 of Table 3 (also in section 6 of the instrument) sets out the duty payable in relation to vehicles that correspond to the categories in column 1 for vehicles valued over \$80,000.

- Column 2 prescribes the charges applicable to the relevant period – 1 July 2025 to 31 August 2025 (which are unchanged).
- Column 3 prescribes the charges applicable to the relevant period – on or after 1 September 2025.

This instrument notes that vehicles listed in section 208 (2) (b) of the Duties Act are excluded from the application of amounts payable under Table 2 and Table 3 in section 6 of the instrument.

The instrument has a specific definition for combined CO₂ emissions for vehicles so that, in addition to the Commonwealth's Green Vehicle Guide (GVG) available at <http://www.greenvehicleguide.gov.au>, they can also be obtained from vehicle manufacturer-sourced figures that comply with the Australian Design Rules 79 and 81, determined as part of the 'national vehicle standards' under section 12 of the *Road Vehicle Standards Act 2018* (Cwlth). Vehicle manufacturers may submit approval certificates authorised by the United Nations Economic Commissioner for Europe Regulations to meet the Australian Design Rule standards, including for emissions.

If there are variants of a motor vehicle where the combined CO₂ emissions are not available through either GVG or through the vehicle manufacturer-sourced figures, then a deemed combined CO₂ emissions value will be given. The deemed value will be based on the highest combined CO₂ emissions for a variant of the motor vehicle of the same year, make and model that is published in the GVG. Unless the Commissioner for ACT Revenue applies a lower rate, at the Commissioner's discretion.

For motor vehicles that have no combined CO₂ emissions (because they are not new, they are not included in the GVG or do not have manufacturer-sourced figures), the amount of duty payable under this instrument is that for a non-rated vehicle.

The amount of duty payable for new motorcycles (that are not Category AAA) is equivalent to the amount payable for Category B vehicles instead of non-rated vehicles – see below.

Duty does not apply to caravans or to camper trailers. However, duty remains payable on all other trailers (e.g. goods carrying, box) that are not camper trailers.

Zero emission vehicles (ZEVs or Category AAA)

For the purposes of this instrument, ZEVs are captured under Category AAA under the definitions of BEV and HFCEV. They include motor vehicles (including motorcycles) propelled by means of battery electric or hydrogen fuel cell powered engines. Hybrid vehicles using electric and hydrogen fuel sources as well as fossil-based fuels are not Category AAA motor vehicles.

Duty for new and used ZEVs/Category AAA motor vehicles (including motorcycles) was abolished from 1 August 2022 to 31 August 2025.

Hybrid vehicles and PHEVs

Transfers of new hybrids and PHEVs with tailpipe emissions of no more than 130g/km of CO₂ are not subject to duty as either Category A or AA vehicles.

Similarly, transfers of used eligible hybrid vehicles and PHEVs are subject to no duty from 1 July 2023 to 31 August 2025. For the purposes of this instrument:

- used eligible hybrids are used motor vehicles powered by a combination of electric motor/s and an internal combustion engine and cannot be plugged into an external electric power source to recharge the battery(s);
- used eligible PHEVs are like hybrids but can be recharged by plugging the vehicle into an electric power source external;
- tailpipe emissions must be no more than 130g/km of CO₂; and
- motorcycles are excluded.

Motorcycles under the VERS

The GVG does not provide data on the environmental performance of motorcycles.

For motor vehicle duty purposes, new motorcycles (other than Category AAA motor vehicles) are placed with Category B motor vehicles under Table 1. This recognises that the environmental performance of motorcycles and scooters compares favourably to light vehicles, and improves the affordability of purchasing a new motorcycle, assisting to reduce congestion and greenhouse gas emissions.

‘Motorcycle’ is defined to mean a motorbike within the meaning of the *Road Transport (Vehicle Registration) Regulation 2000*, generally meaning any 2-wheeled motor vehicle with or without a sidecar.

Non-rated vehicles continue to include motorcycles that are not new (other than Category AAA motor vehicles).

New motor vehicles and demonstrators

In order to qualify for the differential rates of duty applicable to green vehicles, a demonstrator vehicle must be sold or otherwise disposed of within 1 year of the date it first became a registered motor vehicle.

The meaning of ‘new motor vehicle’ excludes demonstrators which were first registered under the law of the Commonwealth, a State, another Territory or a foreign country. This is to discourage people from importing interstate demonstrators into the Territory only to take advantage of the differential duty scheme (by subsequently transferring registration to the person’s home jurisdiction).

The VERS applies to local demonstrators that are or were first registered in the ACT and disposed of within 1 year of registration by a licensed dealer.

Demonstrators that do not meet the definition of ‘demonstrator’ under this instrument **and** are not disposed of by a licensed vehicle dealer within 1 year will not qualify for the differential rates of duty applicable to green vehicles.

Displacement of *Legislation Act 2001*, section 47 (6)

As the combined CO₂ emissions of motor vehicles under this instrument are ascertained by reference to the GVG, this instrument incorporates those details as in force from time to time. The Australian Design Rules 79 and 81 determined as part of the ‘national vehicle standards’ under section 12 of the *Road Vehicle Standards Act 2018* (Cwlth) will also be incorporated, noting that section 12 (2) incorporates the

instruments for the Australian Design Rules as they are in force from time to time as well.

Section 47 (6) of the *Legislation Act 2001* (Legislation Act) provides that an incorporated instrument, and any amendment or replacement of such an instrument, are taken to be notifiable instruments. A notifiable instrument must be notified on the legislation register under the Legislation Act.

However, for the purpose of determining a rate for motor vehicle duty, section 208 (3) permits a determination under section 139 of the TAA to apply, adopt or incorporate an instrument as in force from time to time.

As the GVG is amended frequently (whenever a new vehicle model becomes available for sale, which can be as frequent as two to three times per week), section 5 of this instrument displaces section 47 (6) of the Legislation Act.

If section 47 (6) of the Legislation Act were not displaced, the text of the GVG would have to be remade as a new notifiable instrument every time the GVG is amended. The displacement ensures that the current version of the GVG always applies for the purposes of the instrument, removing the need to remake it as a notifiable instrument whenever it is amended by the Commonwealth.

Similarly, section 47 (6) of the Legislation Act is displaced in respect of the Australian Design Rules 79 and 81, given that they may be amended by the Australian Government under the *Road Vehicle Standards Act 2018* (Cwlth) at any time.