

Information Circular No: 88

Stamp Duties Act 1923

Stamp Duty on Motor Vehicles

Registration of Heavy Vehicles - Dutiable Value and Dealer Exemptions

Issued 4 January 2016

Replaces Circular No: 164

Stamp duty is payable on the registration or transfer of registration of a heavy vehicle. Lodgement of registration or transfer applications must occur within 14 days of acquisition as prescribed by the *Motor Vehicles Act 1959*.

The purpose of this Information Circular is to:

- ▶ clarify for dealers in heavy vehicles the meaning of 'dutiable value', in relation to heavy vehicles for stamp duty purposes;
- ▶ specify the circumstances under which heavy vehicle registrations will be granted exemption from the imposition of stamp duty; and
- ▶ provide details on the New Heavy Vehicle Cap.

A heavy vehicle is defined for the purposes of this Information Circular as “**a prime mover with a GVM (Gross Vehicle Mass) or a trailer with an ATM (Aggregate Trailer Mass) of more than 4.50 tonnes**”.

Value for Stamp Duty Purposes

New Prime Mover

The dutiable value for stamp duty purposes of a new prime mover at the time of registration is the consideration in money or money's worth given by the purchaser (inclusive of GST) for the acquisition of the chassis cab section of the vehicle and any factory options fitted to the vehicle on delivery by the manufacturer/importer to the retailer.

The consideration in money or money's worth given for any body work or accessories fitted to the vehicle by the dealer is to be excluded when determining the dutiable value.

Used Prime Movers

The dutiable value of a used prime mover for stamp duty purposes at the time of registration is:

- ▶ the consideration in money or money's worth for the acquisition of the vehicle (inclusive of GST); or
- ▶ the market value of the vehicle;

whichever is the greater.

New or Used Heavy Trailers

The dutiable value of a new or used heavy trailer for stamp duty purposes at the time of registration is:

- ▶ the consideration in money or money's worth for the acquisition of the vehicle (inclusive of GST); or
- ▶ the market value of the vehicle;

whichever is the greater.

Stamp Duty Exemptions

Dealers, who are able to satisfy the Commissioner of State Taxation (the “Commissioner”) that they carry on the business of selling heavy vehicles, and that an application for registration is made for the purpose of selling/reselling such vehicles in the ordinary course of that business, may be entitled to an exemption from duty on that application. A written request should be submitted for the Commissioner to consider.

The maximum registration period for which a dealer exemption can be claimed on the registration of a heavy vehicle is 12 months.

Information Circular 87 provides information on non-heavy vehicle dealer exemptions.

Heavy Vehicles Subject to Stamp Duty

Heavy vehicles registered in the name of a dealer are subject to stamp duty if the heavy vehicles are:

- ▶ provided to organisations as promotional aids e.g. to sporting organisations;
- ▶ used by dealers and having the dealer's name or logo permanently sign-written thereon;
- ▶ used by dealers for:
 - parts delivery;
 - courtesy and loan vehicles;
 - towing;
 - provision to potential customers or clients for fee or reward other than the reimbursement of fuel, insurance and other bona fide costs; or
 - other business purposes where the dealer has claimed depreciation and any other business expenses (i.e. fuel, oil and service costs) for taxation purposes pursuant to the *Income Tax Assessment Act 1997* (this excludes demonstrator vehicles); or
- ▶ used for evaluation by motoring organisations and media representatives.

Heavy Vehicle Value Cap

The value to be declared for stamp duty purposes for a new heavy vehicle (a new prime mover or a new trailer) may be capped at \$200 000. The purchaser of a new heavy vehicle, where the value exceeds \$200 000, may apply to RevenueSA to have a value of \$200 000 recognised as the value for the calculation of stamp duty irrespective of its actual value.

Written applications must be made prior to registration.

Please submit your application, along with a copy of the invoice and any other relevant documents for the new heavy vehicle, to:

RevenueSA
Compliance Services Branch
GPO Box 2149
ADELAIDE SA 5001

Email: RevSACompliancePRTSDMV@sa.gov.au

Cessation of a Business

A dealer in heavy vehicles should advise the Commissioner of the cessation of business as a dealer in heavy vehicles and pay any outstanding stamp duty in relation to vehicles no longer eligible for exemption.

Compliance Audits

If an audit detects an incorrect exemption or declaration of the value of a heavy vehicle upon the registration or transfer of registration, interest and penalty tax can be imposed in relation to any associated underpayment of duty in accordance with the *Taxation Administration Act 1996*.

See [Revenue Ruling TAA01](#) for further information on the application of interest and penalty.

Disclosure and Payment

Significant reductions in penalty tax and interest can be obtained by notifying RevenueSA voluntarily of the following events and by making prompt payment where:

- ▶ a heavy vehicle registered to a dealer when the dealer has incorrectly claimed the exemption;
- ▶ a heavy vehicle registered to a dealer when the dealer exemption is no longer applicable; and
- ▶ a heavy vehicle that is sold or delivered by a dealer to a customer, where the contract of sale or delivery states that the dealer is to arrange registration or transfer of registration, and the heavy vehicle has not been registered in the customer's name within the prescribed time limit of 14 days.

Registration fees and registration late payment fees are to be made to a Service SA customer service centre.

A **Voluntary Disclosure Form: Vehicle Exemptions - Licenced Motor Vehicle Dealer** for vehicles no longer eligible for dealer exemption can be obtained from the stamp duty forms page on www.revenuesa.sa.gov.au.

Written correspondence and payments by cheque or money order made payable to the Commissioner of State Taxation can be sent to:

RevenueSA
Compliance Services Branch
GPO Box 2149
ADELAIDE SA 5001

Email: RevSACompliancePRTSDMV@sa.gov.au

To avoid the future incorrect issue of traffic infringement notices, parking fines etc., a dealer should submit a Notice of Disposal with Service SA when it becomes apparent that it has sold or delivered a vehicle, and the contract of sale or delivery states that the customer was to arrange registration or transfer of registration, and the registration or transfer has not occurred within the prescribed time limit of 14 days.

Ian Morris
A/COMMISSIONER OF STATE TAXATION

4 January 2016

Further Information

Further information in relation to this Information Circular can be obtained from RevenueSA.

Location	RevenueSA State Administration Centre 200 Victoria Square East ADELAIDE SA 5000
Postal	Commissioner of State Taxation RevenueSA Compliance Services GPO Box 2149 ADELAIDE SA 5001
Telephone	(08) 8226 2689
Facsimile	(08) 8226 0918
Email	RevSACompliancePRTSDMV@sa.gov.au
Website	www.revenuesa.sa.gov.au