

# Historical Only



## Stamp Duties

## Circular No. 164

### STAMP DUTY ON THE REGISTRATION OF HEAVY VEHICLES DUTIABLE VALUE AND DEALER EXEMPTIONS

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 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.

A **heavy vehicle** is defined for the purposes of this Circular as “a motor vehicle with a gross vehicle mass (GVM) of more than **3** tonnes and includes prime movers and trailers”. Heavy vehicles are further categorised for the purposes of this Circular to be motorised (self propelled) or non-motorised (i.e. trailers, adapted to be drawn by a motorised vehicle).

### NEW MOTORISED HEAVY VEHICLES - VALUE FOR STAMP DUTY PURPOSES

The dutiable value for Stamp Duty purposes of a new motorised heavy vehicle at the time of registration is the consideration in money or money’s worth given by the purchaser 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 MOTORISED/NEW AND USED NON-MOTORISED HEAVY VEHICLES - VALUE FOR STAMP DUTY PURPOSES

The dutiable value of a used motorised and new and used non-motorised, heavy vehicle for Stamp Duty purposes at the time of registration is:

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(a) the consideration in money or money's worth for the acquisition of the vehicle, or

(b) the market value of the vehicle

whichever is the greater.

As from the date of the Circular, where a new commercial vehicle has a value (as determined in this Circular) in excess of \$200,000.00 the applicant must submit the application for registration to the Commissioner of State Taxation for consideration before registration.

## **SALES TAX**

Sales tax is not to be included in the dutiable value if the applicant is exempt from paying it.

## **STAMP DUTY EXEMPTIONS**

- Dealers who are able to satisfy this Office that they carry on the business of selling heavy motor 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 the exemption from duty on that application.
- This exemption is NOT valid for motor cycles or motor vehicles 3 tonnes or less.

## **VEHICLES SUBJECT TO STAMP DUTY**

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

- provided to organisations as promotional aids eg. 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;
  - other business purposes where the dealer has claimed depreciation for taxation purposes pursuant to the *Income Tax Assessment Act 1936* (except demonstrator vehicles).
- used for evaluation by motoring organisations and media representatives.

## **CESSATION OF A BUSINESS**

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- 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.

If the registration or transfer of registration occurred after 30 June 1997 interest at 8% plus the market rate (currently 9.8%) will be imposed from the date of the registration or transfer of registration. Penalty tax of up to 75% of the unpaid duty can also be imposed depending on the circumstances.

## FURTHER INFORMATION

### *Location*

State Taxation Office  
State Administration Centre  
200 Victoria Square East  
ADELAIDE SA 5000

### *Postal*

Commissioner of State Taxation  
State Taxation Office  
Box 1353 GPO  
ADELAIDE SA 5001

### *Telephone*

(08) 8226 3756

### *Facsimile*

(08) 8226 3834

### *Website*

<http://www.treasury.sa.gov.au/tax.html>

2 March 1998

COMMISSIONER OF STATE TAXATION