

Act No. 97

**MOTOR VEHICLES TAXATION (AMENDMENT) BILL
1987**

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The following Bills are cognate with this Bill:
Motor Vehicles Taxation Management (Amendment) Bill 1987;
State Roads (Motor Vehicles Taxation) Amendment Bill 1987;
Transport (Motor Vehicles Taxation) Amendment Bill 1987.

The object of this Bill is to amend the Motor Vehicles (Taxation) Act 1980 so as to replace the current tax under that Act on motor vehicles (comprising a motor vehicles tax levy and a motor vehicles weight tax) with a single motor vehicles tax. The proposed rates of tax are based on vehicle weight and whether use of the vehicle is substantially for private purposes or not. Concessions for certain classes of vehicles, including primary producers' vehicles, are continued.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides that, with minor exceptions, the proposed Act will commence on 1 July 1987.

Clause 3 is a formal provision that gives effect to the Schedule of amendments to the Principal Act.

Motor Vehicles Taxation (Amendment) 1987

Clause 4 makes it clear that the proposed amendments do not affect a pre-existing liability to pay tax. The clause also makes it clear that the adjustment of tax rates under the Principal Act which takes place on 1 July each year (in line with increases in the cost of road building and maintenance) does not apply to the new rates of tax for 1 year. The appropriate adjustment has already been taken into account in the fixing of the proposed new rates.

SCHEDULE 1—AMENDMENTS TO THE MOTOR VEHICLES (TAXATION) ACT
1980

Schedule 1 (1) omits the provision dealing with the arrangement of the Principal Act and inserts a consequential interpretation provision.

Schedule 1 (2) and (3) make consequential amendments.

Schedule 1 (4) provides for a motor vehicles tax to be payable in respect of motor vehicles rather than, as at present, a motor vehicles tax levy and a motor vehicles weight tax. The new rates of tax will be set out in Schedule 1 to the Principal Act.

Schedule 1 (5) empowers the Governor to amend Schedule 1 to the Principal Act by regulation by replacing the various vehicle weight ranges for particular levels of tax with different weight ranges.

Schedule 1 (6)–(10) are consequential amendments.

Schedule 1 (11) replaces Schedules 1 and 2 to the Principal Act with a new Schedule 1 which specifies the tax applicable to various vehicles. For motor cycles the tax is a fixed amount. For motor vehicles up to 2500 kilograms the tax varies according to weight with non-private use rates being 60 per cent higher than private use rates. For vehicles over 2500 kg the tax varies according to weight with buses and private use rates which are 60 per cent of non-private rates. Concessional rates for tractors and certain primary producer vehicles are continued. Provision is also made for the imposition (on and from a date to be appointed by the Governor-in-Council) of an additional amount of tax on vehicles weighing more than 3560 kilograms (except private use vehicles).
