



New South Wales

Electric Vehicles (Revenue Arrangements) Bill 2021

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.
This Bill is cognate with the *Appropriation Bill 2021*.

Overview of Bill

The objects of this Bill are to—

- (a) impose a distance-related road user charge on registered operators of certain zero and low emissions vehicles, and
- (b) exempt certain zero and low emissions vehicles from the payment of duty under the *Duties Act 1997*, Chapter 9.

Outline of provisions

Part 1 Preliminary

Clause 1 sets out the name, also called the short title, of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Clause 3 specifies the object of the proposed Act.

Clause 4 provides for the Dictionary in the proposed Act, Schedule 1 to define certain terms used in the proposed Act.

Clause 5 specifies the proposed Act is to bind the Crown.

Clause 6 provides the proposed Act is intended to have extraterritorial operation to the extent of the State's legislative powers, including in relation to zero or low emissions vehicles registered in New South Wales that travel on roads in other States or Territories.

Clause 7 specifies motor vehicles to which the proposed Act does not apply.

Part 2 Road user charges

Division 1 Liability for and calculation of road user charges

Clause 8 provides for a road user charge to be payable in relation to certain zero or low emissions vehicles. The charge is payable if the vehicle was purchased on or after the relevant date, or for a battery electric vehicle or hydrogen fuel cell electric vehicle, if the vehicle was purchased before the relevant date and duty was not paid under the *Duties Act 1997*, Chapter 9 because of the operation of that Act, section 270D, as inserted by the proposed Act (a **relevant zero or low emissions vehicle**).

Clause 9 specifies the registered operator for a relevant zero or low emissions vehicle is liable for a road user charge payable in relation to the vehicle.

Clause 10 provides a road user charge is payable for each kilometre for which a relevant zero or low emissions vehicle travels on a public place, regardless of whether the vehicle is driven on a road or another place, or in New South Wales or another State or Territory. The regulations may provide kilometres travelled on a certain road or place, or a type of road or place, are not kilometres for which a road user charge is payable.

Clause 11 provides for the calculation of the indexed amount for the purposes of the road user charge.

Clause 12 specifies the road user charge rate (the **rate**) for a financial year. The rate for a battery electric vehicle or hydrogen fuel cell electric vehicle is the indexed amount for the financial year. The rate for a plug-in hybrid electric vehicle is 80% of the indexed amount for the financial year.

If the rate for a financial year for a relevant zero or low emissions vehicle would be less than the rate for the previous financial year, the rate for the previous financial year continues to apply.

Before the start of each financial year, Transport for New South Wales (**TfNSW**) is required to publish a notice stating the rate for the financial year on a Government website. If TfNSW fails to publish the notice before the start of the financial year, the failure does not affect the validity of a road user charge.

Clause 13 provides for the calculation of the road user charge for a relevant zero or low emissions vehicle with reference to the number of kilometres travelled by the vehicle on public land in the period for which the charge is payable.

Clause 14 provides the registered operator of a relevant zero or low emissions vehicle must estimate the number of kilometres travelled by the vehicle if the operator is not able to provide an odometer reading for the period. The estimate must be calculated in a way TfNSW considers reasonable in the circumstances.

Clause 15 sets out 2 options for the payment of the road user charges by a registered operator of a relevant zero or low emissions vehicle. The registered operator may either pay the road user charge for the kilometres to be travelled by the vehicle before the vehicle travels the kilometres (the **pre-paid option**) or, if provided for by the regulations, pay the road user charge for the kilometres travelled after the vehicle travels the kilometres (the **post-paid option**).

Clause 16 sets out the obligations of a registered operator who pays the road user charges payable for a relevant zero or low emissions vehicle by the pre-paid option. The registered operator must pay the road user charge for each 1,000 kilometres, or multiple of 1,000 kilometres, the vehicle travels before the vehicle travels the kilometres, or otherwise in accordance with the regulations. The registered operator must give TfNSW a current odometer reading for the vehicle, in the way approved by TfNSW, before paying the charge.

The proposed section makes it an offence for a registered operator who is using the pre-paid option to fail to ensure the vehicle does not travel a number of kilometres more than the kilometres for which the road user charge has been paid, unless the operator has a reasonable excuse.

Clause 17 sets out the obligations of a registered operator who pays the road user charges payable for a relevant zero or low emissions vehicle by the post-paid option. A registered operator may pay the road user charge by the post-paid option only if, before travelling the number of kilometres for which the charge is payable, the operator has notified TfNSW the operator has elected to use the post-paid option.

The proposed section makes it an offence for a registered operator who is using the post-paid option to fail to give TfNSW a current odometer reading for the vehicle at intervals prescribed by the regulations.

Division 2 Administration

Clause 18 makes it an offence to fail to give an odometer reading for a relevant zero or low emissions vehicle to TfNSW, in the way approved by TfNSW, at certain times, including times prescribed by the regulations.

Clause 19 enables TfNSW to issue a notice to a person who has given TfNSW an odometer reading when selling or otherwise disposing of a relevant zero or low emissions vehicle. The notice may either—

- (a) contain an assessment of the road user charges payable in relation to the relevant zero or low emissions vehicle, or
- (b) specify a refund is payable to the person for road user charges paid in relation to the vehicle and how the refund will be paid.

If a person is issued with a notice containing an assessment of the road user charges payable, the person must pay the charges within 14 days after the date of the notice or within a longer period decided by TfNSW.

Clause 20 provides for the extension of time to give an odometer reading and the assessment of the amount of the road user charge if—

- (a) a relevant zero or low emissions vehicle is reported as stolen to the NSW Police Force, is a written-off light vehicle or is otherwise damaged, under repair or disposed of for scrap, and
- (b) TfNSW considers it would be unreasonable to require the vehicle's registered operator to provide an odometer reading, or provide an odometer reading by the time required.

Part 3 Miscellaneous

Clause 21 enables TfNSW, by notice published in the Gazette, to approve a device or system to be used to measure the number of kilometres travelled by a relevant zero or low emissions vehicle for the purposes of the proposed Act.

Clause 22 enables TfNSW to, by written notice given to a person, require the person to give TfNSW certain information or a document within the person's custody or control for the purposes of calculating whether a person is liable to pay road user charges and the amount of the charges. The proposed section makes it an offence to fail to comply with the notice unless the person has a reasonable excuse.

Clause 23 enables TfNSW to enter into an information sharing arrangement in relation to information relevant to road user charges or equivalent or similar charges under the law of another State or Territory with—

- (a) another government sector agency or the head of a government sector agency, or
- (b) an agency of another State or Territory.

Clause 24 enables the Minister to enter into arrangements with another State or Territory about the collection of payments in relation to road user charges payable in the other State or Territory for vehicles registered in New South Wales that travel on roads in the other State or Territory.

Clause 25 provides for proceedings for an offence under the proposed Act or regulations to be dealt with summarily before the Local Court.

Clause 26 enables offences against the proposed Act and offences prescribed by the regulations as penalty notice offences to be dealt with by the issue of a penalty notice rather than through court proceedings.

Clause 27 enables the Governor to make regulations for the purposes of the proposed Act and specifies matters for which the regulations may provide.

Schedule 1 Dictionary

The Dictionary defines certain terms used in the proposed Act.

Schedule 2 Savings and transitional provisions

The proposed Schedule contains a transitional provision relating to certain battery electric vehicles or hydrogen fuel cell electric vehicles.

Schedule 3 Amendment of Duties Act 1997 No 123

Schedule 3 amends the *Duties Act 1997* to exempt applications to register certain zero or low emissions vehicles from duty charged under Chapter 9 of the Act.