

FIRST PRINT

**MOTOR VEHICLES TAXATION (FURTHER AMENDMENT)
BILL 1993**

NEW SOUTH WALES



EXPLANATORY NOTE

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

The object of this Bill is to amend the Motor Vehicles Taxation Act 1988 to extend tax concessions under that Act in 2 areas. These are:

Primary producers' vehicles

The definition of "primary producer's vehicle" is revised so that the concession for tax payable under the Principal Act in respect of a primary producer's vehicle is not affected by the vehicle being used to cart produce or goods, or for land clearing, for any other primary producer (so long as no fee or reward is paid).

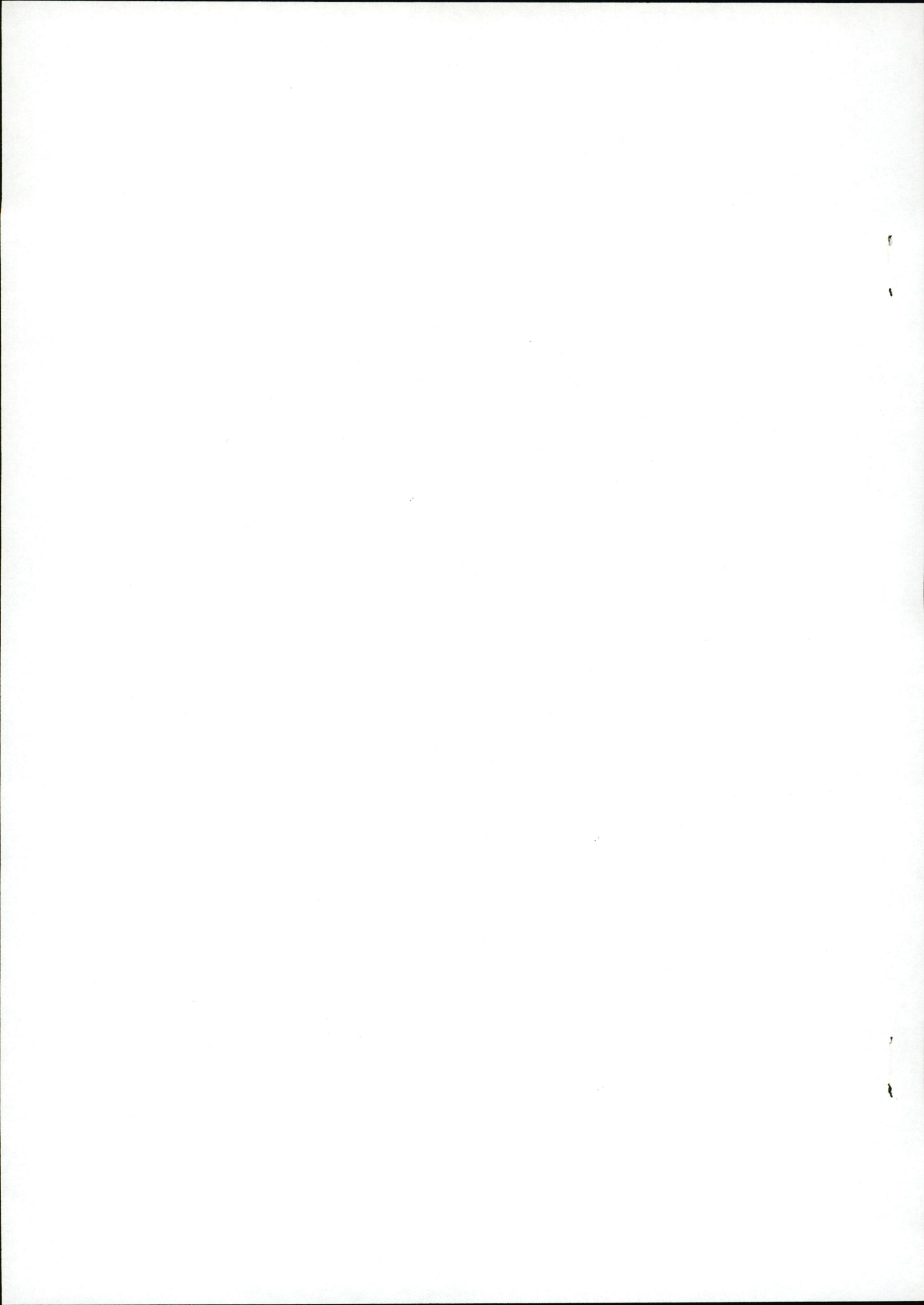
Vehicles registered to motor traders

The provision dealing with what constitutes use of a vehicle substantially for private purposes is revised so that the availability of the private purpose rate of tax for vehicles registered to licensed motor dealers is extended from motor cars, station wagons and private-purpose type trailers to all motor vehicles up to 2 500 kilograms in weight (other than trailers).

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides that the proposed Act commences on the date of assent.

Clause 3 amends the Motor Vehicles Taxation Act 1988 to achieve the object specified above. Clause 3 (a) and (c) contain the amendments relating to primary producers' vehicles and clause 3 (b) deals with vehicles registered to motor traders.



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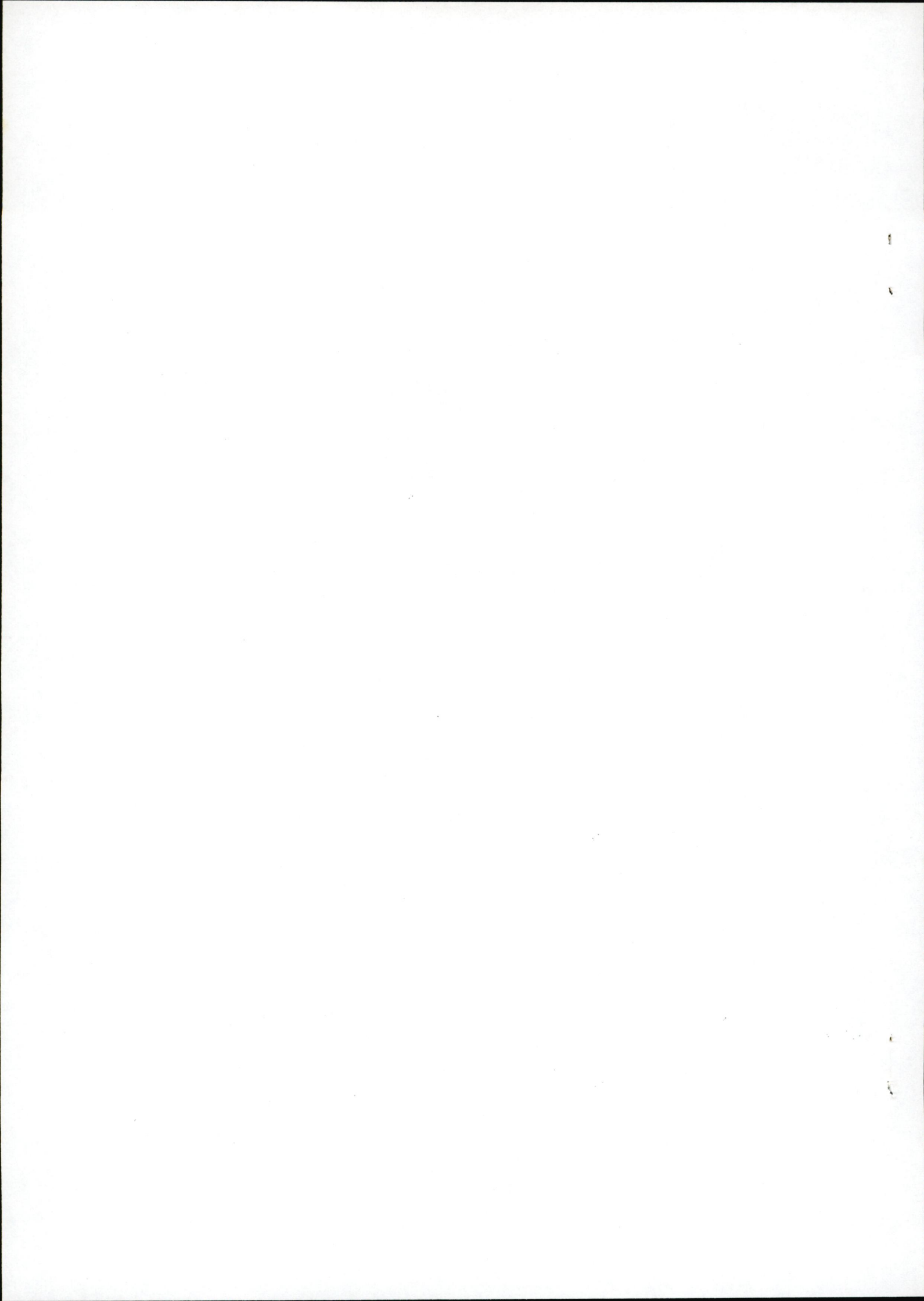
**MOTOR VEHICLES TAXATION (FURTHER AMENDMENT)
BILL 1993**

NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
 2. Commencement
 3. Amendment of Motor Vehicles Taxation Act 1988 No. 111, sec. 3 (Definitions)
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**MOTOR VEHICLES TAXATION (FURTHER AMENDMENT)
BILL 1993**

NEW SOUTH WALES



No. , 1993

A BILL FOR

An Act to amend the Motor Vehicles Taxation Act 1988 to make further provision with respect to the motor vehicle tax concession for primary producers' vehicles and for motor vehicles registered to licensed motor dealers.

Motor Vehicles Taxation (Further Amendment) 1993

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Motor Vehicles Taxation (Further Amendment) Act 1993.

5 Commencement

2. This Act commences on the date of assent.

Amendment of Motor Vehicles Taxation Act 1988 No. 111, sec. 3 (Definitions)

3. Section 3 of the Motor Vehicles Taxation Act 1988 is amended:

- 10 (a) by omitting from paragraph (a) of the definition of "primary producer's vehicle" in subsection (1) the words "the primary" wherever occurring and by inserting instead the words "the or another primary";
- 15 (b) by inserting at the end of subsection (2) (d) (iii) the following word and subparagraph:
- ; or
- (iv) any other motor vehicle the weight of which does not exceed 2 500 kilograms, other than a trailer,
- 20 (c) by inserting after subsection (3) the following subsection:
- (4) A motor vehicle is not within paragraph (a) of the definition of "primary producer's vehicle" if its use in connection with another primary producer for a purpose referred to in that paragraph is for fee or reward.
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MOTOR VEHICLES TAXATION

(FURTHER AMENDMENT) BILL 1993

LEGISLATIVE COUNCIL

SECOND READING SPEECH

OCTOBER 1993:

THE HON V CHADWICK MP

MINISTER FOR EDUCATION AND YOUTH AFFAIRS

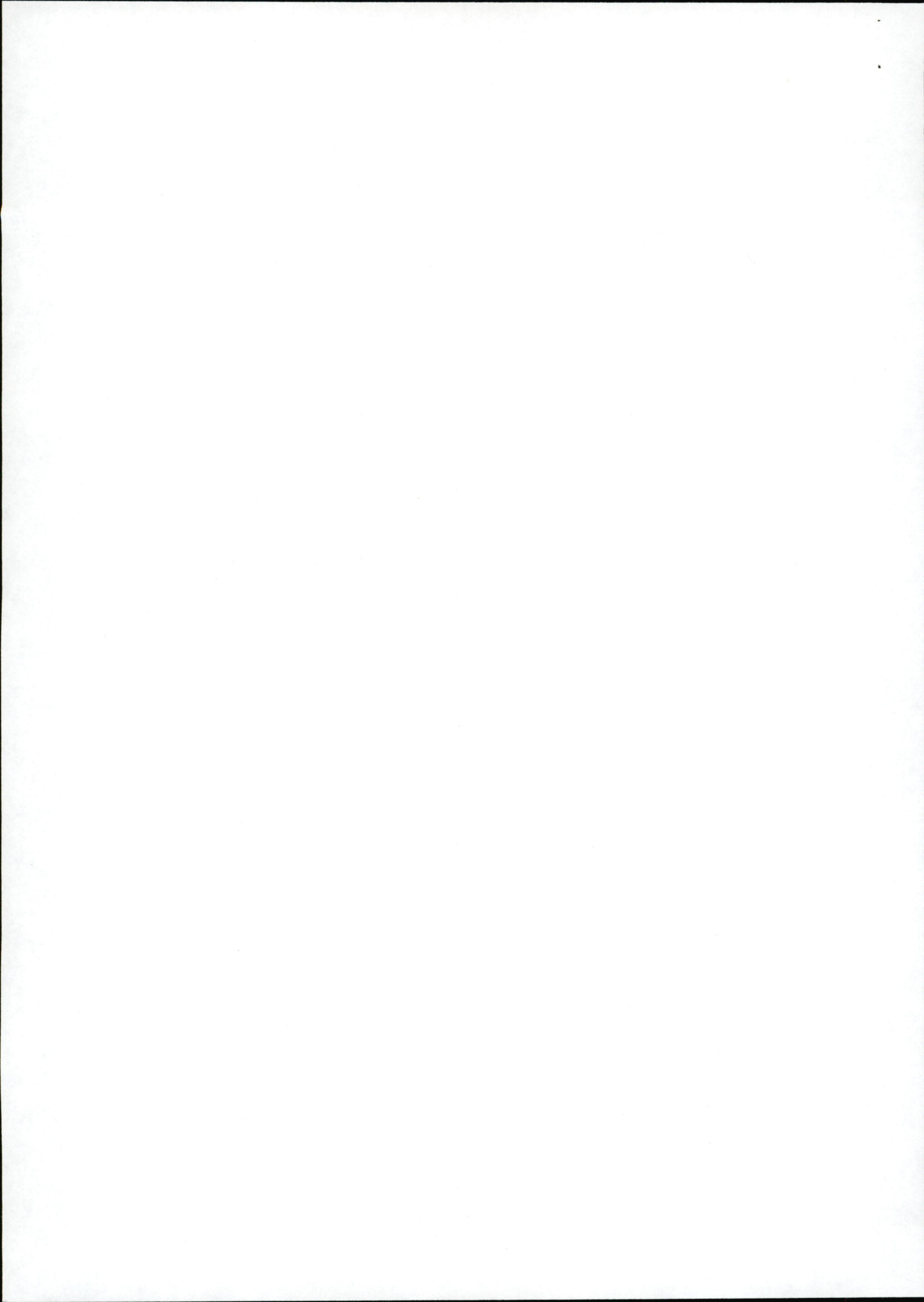
MINISTER FOR EMPLOYMENT AND TRAINING

MR PRESIDENT, I MOVE THAT THIS BILL BE NOW READ A SECOND TIME.

HONOURABLE MEMBERS, THE PURPOSE OF THE BILL BEFORE THE HOUSE IS TO RATIONALISE CONCESSIONS ON MOTOR VEHICLES TAXATION IN RESPECT OF PRIMARY PRODUCERS AND LICENSED MOTOR DEALERS.

CURRENTLY, THE MOTOR VEHICLES TAXATION ACT IS UNNECESSARILY RESTRICTIVE IN THAT IT DOES NOT ALLOW CO-OPERATIVE ARRANGEMENTS BETWEEN PRIMARY PRODUCERS IN THE TRANSPORT OF THEIR PRODUCT.

FOR EXAMPLE, A FARMER CAN BE PROSECUTED FOR ASSISTING, FREE OF CHARGE, HIS OR HER NEIGHBOURING FARMER IN CARTING FARM SUPPLIES FROM THE LOCAL TOWN OR CARTING THE HARVEST TO A SILO OR A RAILHEAD.

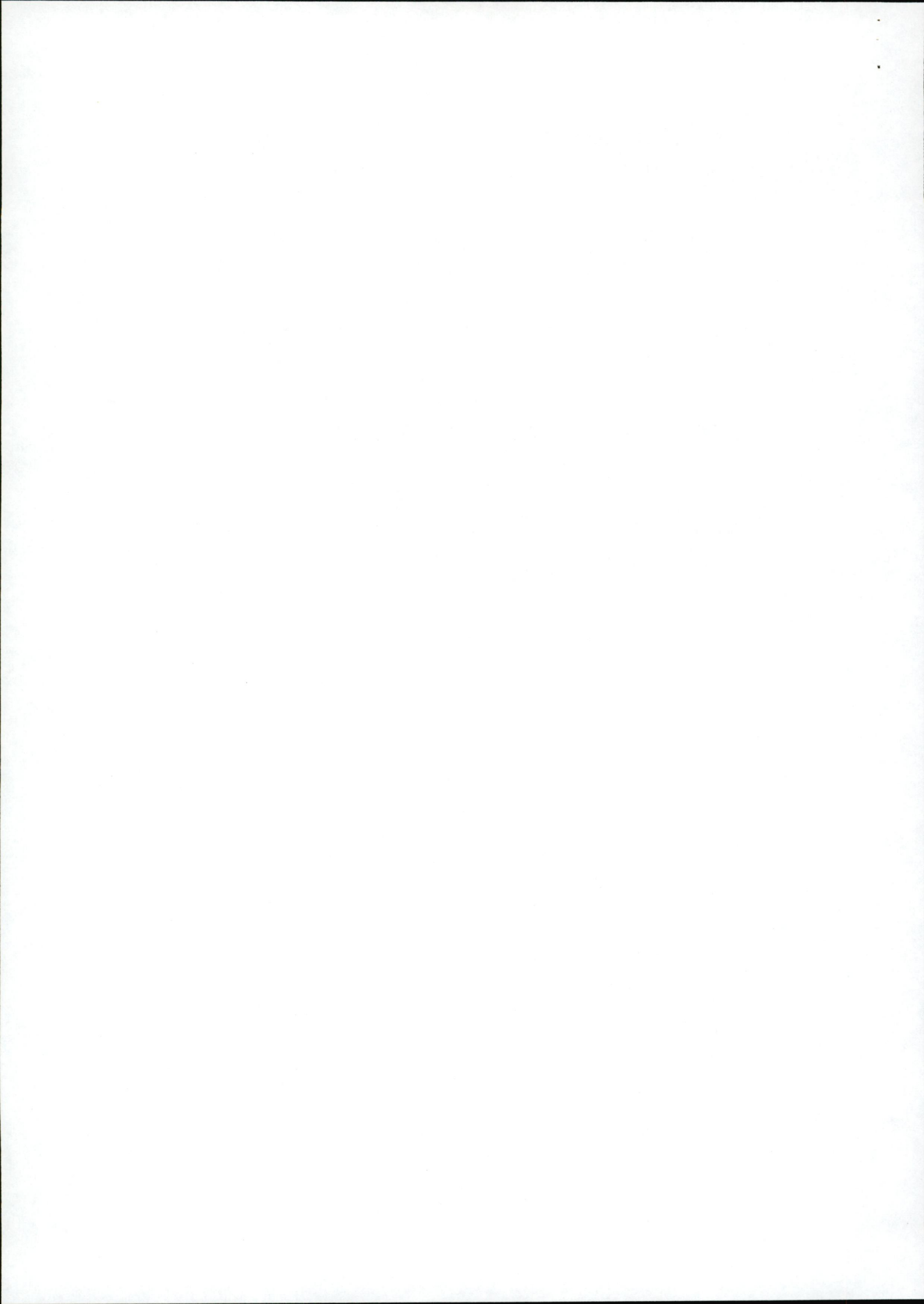


THE GOVERNMENT BELIEVES FARMERS SHOULD HAVE A GREATER DEGREE OF FLEXIBILITY IN THEIR CARTAGE ARRANGEMENTS.

THIS AMENDMENT WILL AFFORD THEM SUCH FLEXIBILITY, PROVIDED PAYMENT FOR CARTAGE IS NOT MADE.

CO-OPERATIVE ARRANGEMENTS BETWEEN FARMERS WILL NOT REDUCE THE OBLIGATIONS IMPOSED ON APPLICANTS FOR PRIMARY PRODUCER CONCESSIONS NOR THE TIGHT CONTROLS THAT HAVE BEEN ESTABLISHED TO ENSURE THAT THE REDUCED REGISTRATION CHARGES ARE ONLY AVAILABLE TO GENUINE PRIMARY PRODUCERS.

PAST ABUSE OF THE SCHEME HAS REQUIRED THE DEVELOPMENT OF SOUND PROCEDURES TO DETER INELIGIBLE APPLICANTS AND TO FACILITATE THE PROSECUTION OF THOSE WHO MAKE FALSE DECLARATIONS.

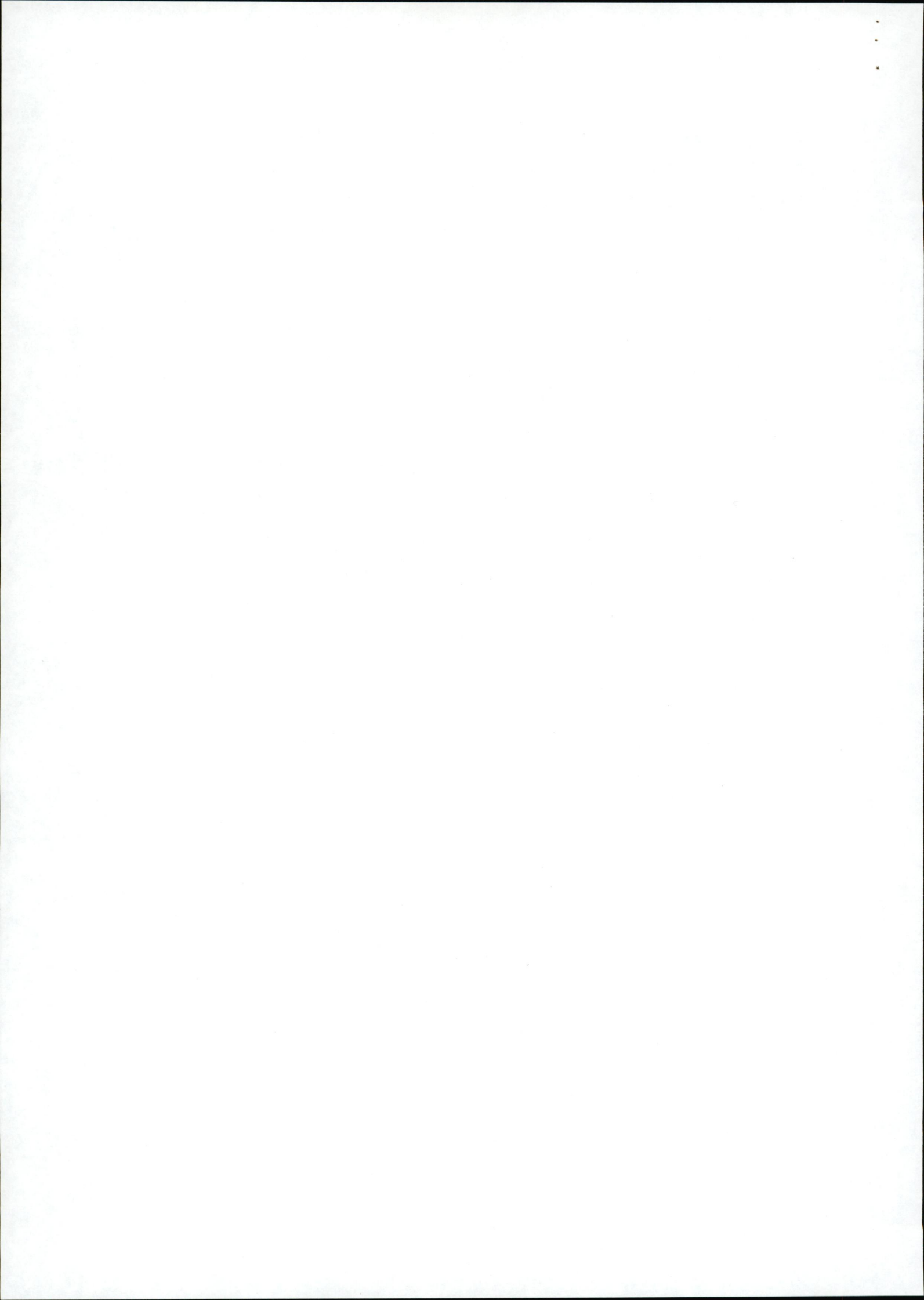


THE OPPORTUNITY FOR CO-OPERATION BETWEEN FARMERS WILL FACILITATE THE COST-EFFECTIVE TRANSPORT OF FARM PRODUCE TO MARKETS AND, GIVEN THAT THE FARMERS CONCERNED ARE ALREADY RECEIVING THE CONCESSIONS IN RESPECT OF THEIR OWN VEHICLES, CAN BE INTRODUCED AT NO COST TO THE GOVERNMENT OR TO THE GENERAL COMMUNITY.

MR PRESIDENT, THE OTHER AMENDMENT DEALS WITH VEHICLE WEIGHT TAX CONCESSIONS FOR LICENSED MOTOR DEALERS.

AT PRESENT, MOTOR DEALERS ARE NOT REQUIRED TO PAY THE BUSINESS RATE OF WEIGHT TAX ON MOTOR CARS, STATION WAGGONS AND SMALL TRAILERS WHICH ARE ACQUIRED FOR RESALE.

THE AMENDMENT BEFORE THE HOUSE WILL EXTEND THIS CONCESSION TO A RANGE OF OTHER LIGHT VEHICLES HELD FOR RESALE BY DEALERS.

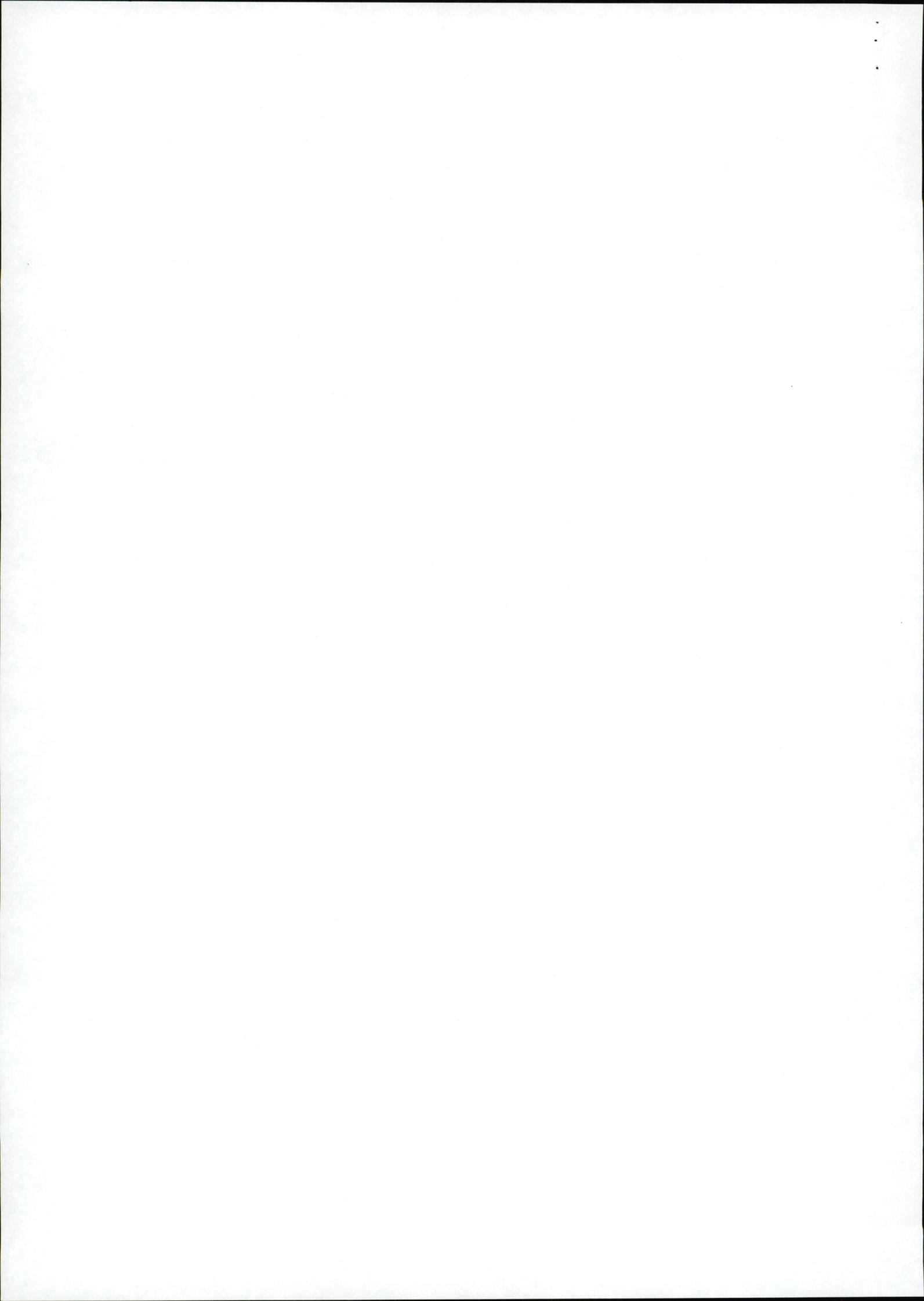


THIS WILL INCLUDE UTILITIES, VANS, FOUR-WHEEL DRIVES AND OTHER VEHICLES WITH A TARE WEIGHT OF 2.5 TONNES OR LESS.

THESE VEHICLES ARE BECOMING INCREASINGLY POPULAR WITH THE GENERAL MOTORING PUBLIC AND, THEREFORE, ARE MOST LIKELY TO BE SOLD TO A PURCHASER WHO REQUIRES THE VEHICLE FOR PRIVATE USE ONLY.

IN ADDITION THE RATIONALE FOR A HIGHER RATE OF TAX FOR VEHICLES USED FOR BUSINESS PURPOSES IS THAT THE VEHICLE IS LIKELY TO MAKE MORE FREQUENT USE OF THE ROAD SYSTEM AND TRAVEL GREATER DISTANCES THAN A VEHICLE USED PRINCIPALLY FOR PRIVATE PURPOSES.

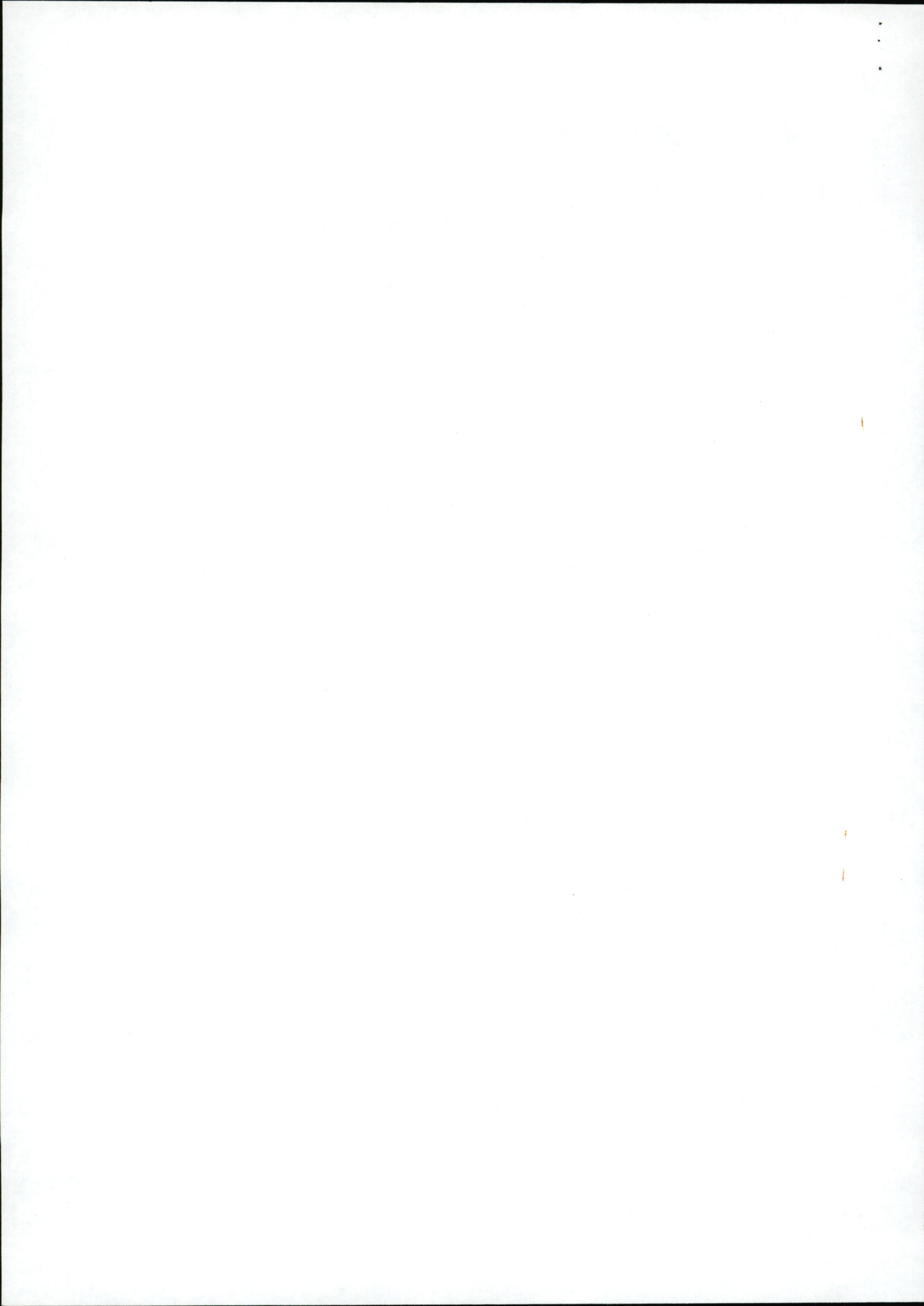
WHEN A VEHICLE IS HELD FOR RESALE IN A DEALER'S YARD, IT IS NOT TRAVELLING ANY DISTANCE, EXCEPT PERHAPS FOR AN OCCASIONAL TEST DRIVE.



IT IS THUS ILLOGICAL, INEQUITABLE AND UNREASONABLE TO CHARGE THE DEALER THE BUSINESS OR HIGHER RATE OF TAX.

MR PRESIDENT, THE BILL WILL ENSURE THAT PRIMARY PRODUCERS AND LICENSED MOTOR DEALERS ARE NOT UNFAIRLY TREATED. IN THE ADMINISTRATION OF WEIGHT TAX LEGISLATION.

I COMMEND THE BILL TO THE HOUSE.



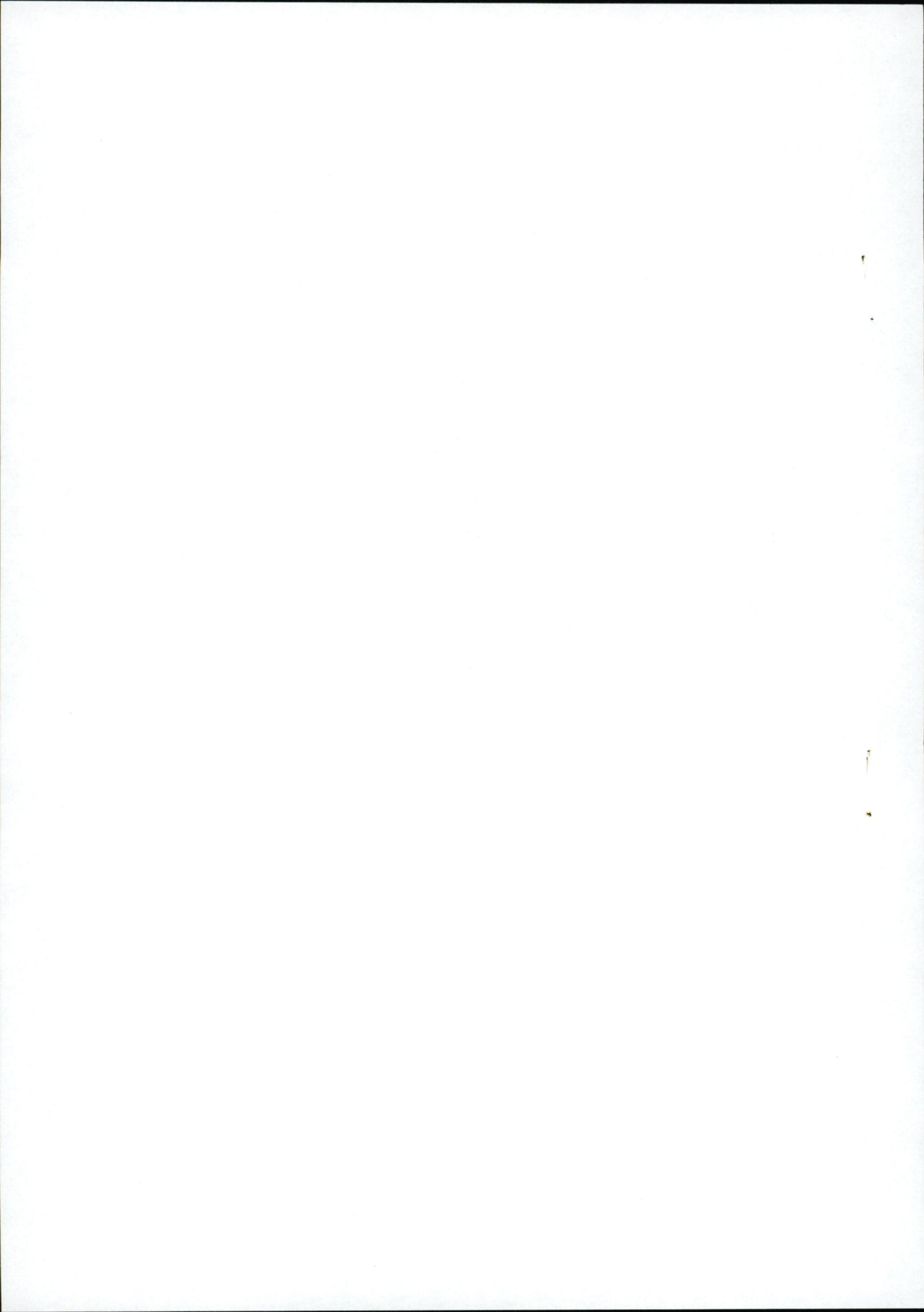
**MOTOR VEHICLES TAXATION (FURTHER AMENDMENT)
ACT 1993 No. 73**

NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
 2. Commencement
 3. Amendment of Motor Vehicles Taxation Act 1988 No. 111, sec. 3 (Definitions)
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**MOTOR VEHICLES TAXATION (FURTHER AMENDMENT)
ACT 1993 No. 73**

NEW SOUTH WALES



Act No. 73, 1993

An Act to amend the Motor Vehicles Taxation Act 1988 to make further provision with respect to the motor vehicle tax concession for primary producers' vehicles and for motor vehicles registered to licensed motor dealers. [Assented to 18 November 1993]

Motor Vehicles Taxation (Further Amendment) Act 1993 No. 73

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Motor Vehicles Taxation (Further Amendment) Act 1993.

Commencement

2. This Act commences on the date of assent.

Amendment of Motor Vehicles Taxation Act 1988 No. 111, sec. 3 (Definitions)

3. Section 3 of the Motor Vehicles Taxation Act 1988 is amended:

(a) by omitting from paragraph (a) of the definition of "primary producer's vehicle" in subsection (1) the words "the primary" wherever occurring and by inserting instead the words "the or another primary";

(b) by inserting at the end of subsection (2) (d) (iii) the following word and subparagraph:

; or

(iv) any other motor vehicle the weight of which does not exceed 2 500 kilograms, other than a trailer,

(c) by inserting after subsection (3) the following subsection:

(4) A motor vehicle is not within paragraph (a) of the definition of "primary producer's vehicle" if its use in connection with another primary producer for a purpose referred to in that paragraph is for fee or reward.

[Minister's second reading speech made in—
Legislative Assembly on 14 October 1993
Legislative Council on 9 November 1993]