

**MOTOR VEHICLES TAXATION AND OTHER FEES  
(AMENDMENT) BILL 1992**

**SECOND READING SPEECH**

**THE HON R J WEBSTER MLC  
MINISTER FOR ENERGY AND  
MINISTER FOR PLANNING**

**MAY 1992**



MR PRESIDENT,

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

THE OBJECTIVE OF THE BILL IS TO CONTINUE THE GOVERNMENT'S COMMITMENT TO REMOVE CROSS SUBSIDISATION BETWEEN GOVERNMENT DEPARTMENTS AND AUTHORITIES.

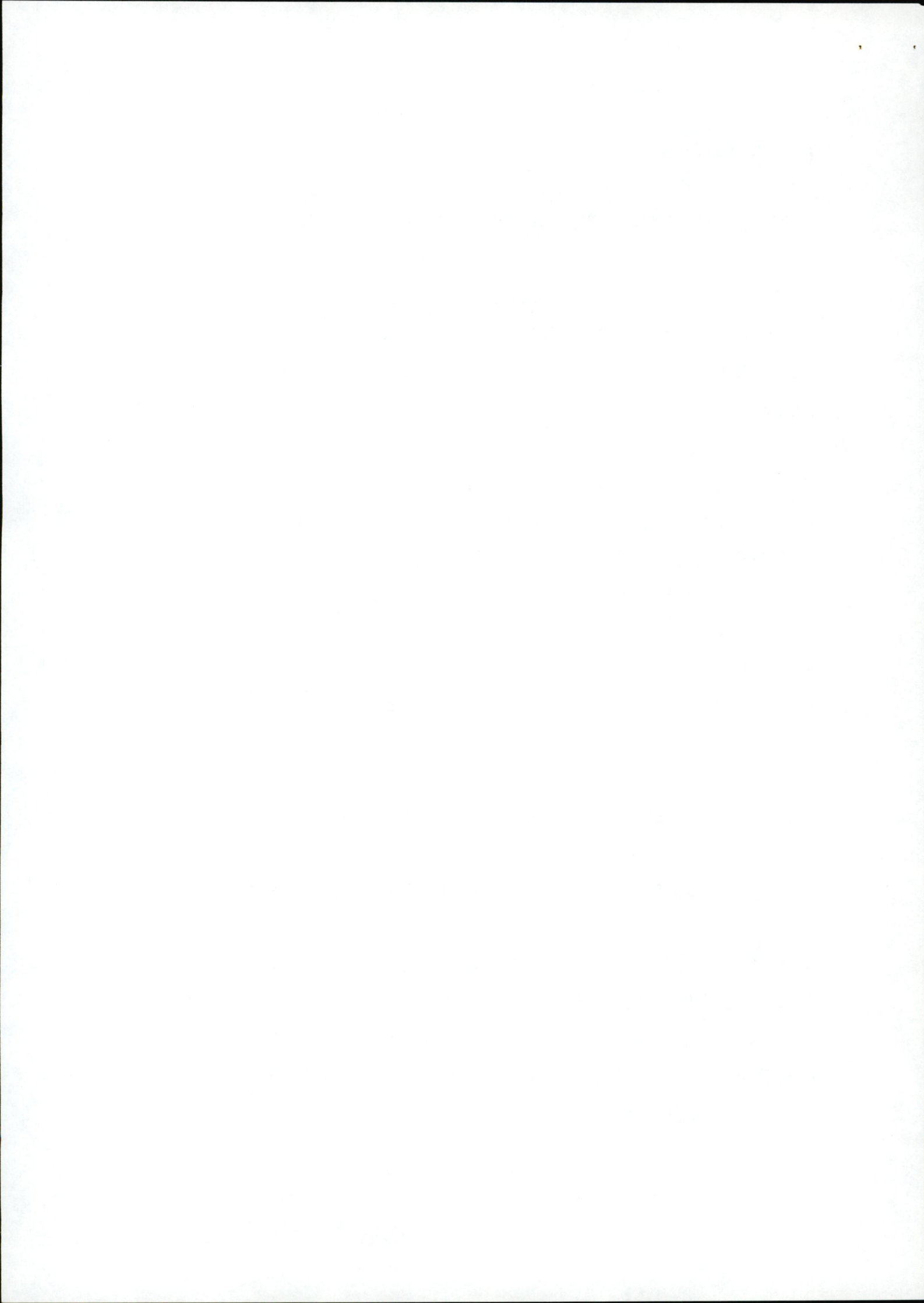
AT PRESENT, WHEN STATE GOVERNMENT OWNED VEHICLES ARE REGISTERED, THEY ARE EXEMPT FROM BOTH THE MOTOR VEHICLE TAX (WEIGHT TAX) AND REGISTRATION FEE COMPONENTS.

THE BILL PROVIDES FOR THE ABOLITION OF THESE EXEMPTIONS, WITH EFFECT FROM THE 1992/93 FINANCIAL YEAR.

THE KEY BENEFITS OF THE PROPOSAL ARE:

- IT IS IN ACCORDANCE WITH THE USER PAYS PRINCIPLE.

IF THE GOVERNMENT IS TO ACHIEVE IMPROVEMENTS IN PRODUCTIVITY AND EFFICIENCY AND IDENTIFY THE TRUE COSTS OF GOVERNMENT PROGRAMMES, THE PRINCIPLE OF USER PAYS SHOULD BE APPLIED ACROSS ALL PUBLIC SECTOR ACTIVITIES.



- AS MENTIONED EARLIER, IT IS CONSISTENT WITH THE REMOVAL OF CROSS SUBSIDISATION BETWEEN GOVERNMENT BODIES.

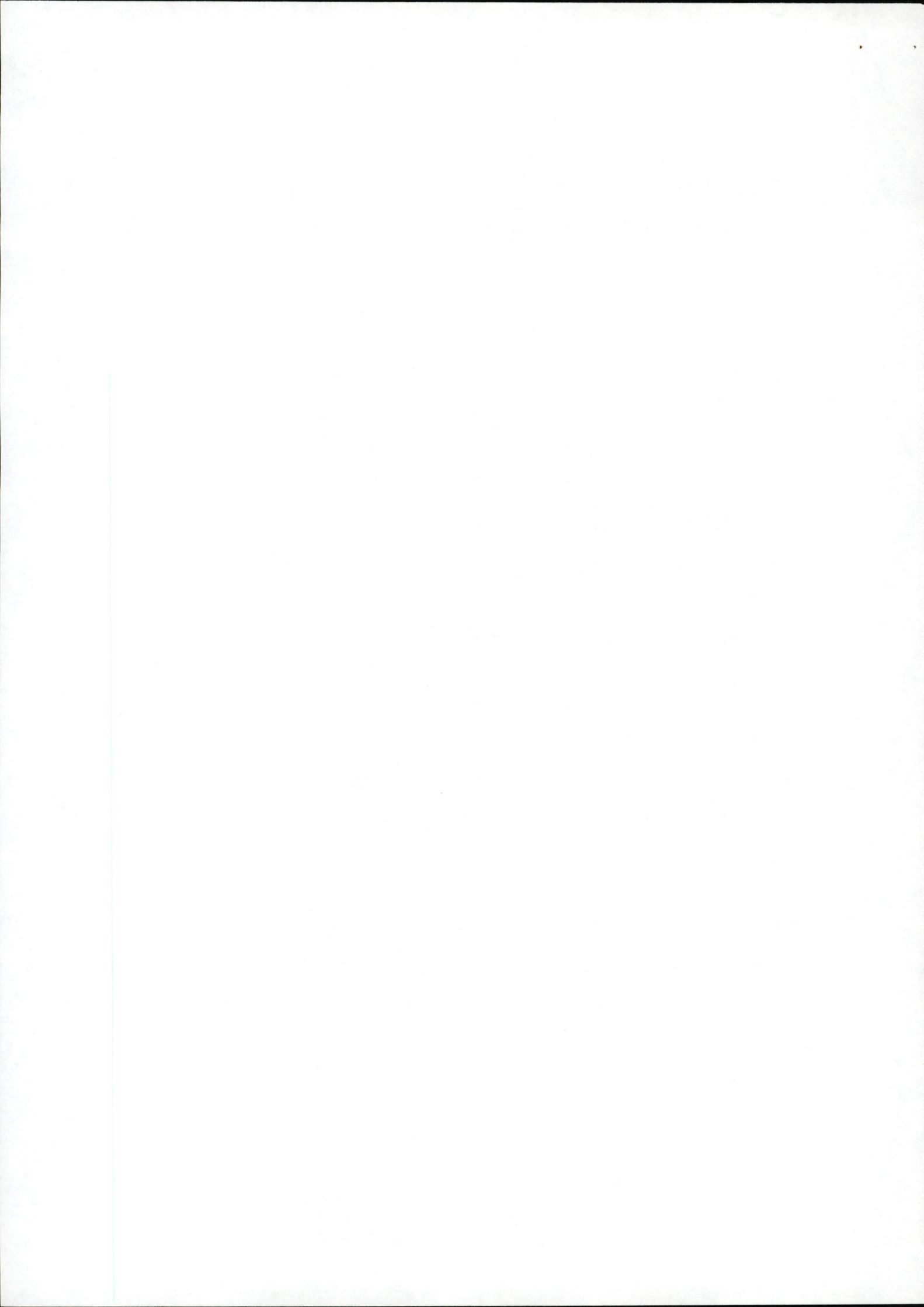
IT WILL ENABLE THE TRUE COSTS OF OPERATING GOVERNMENT VEHICLE FLEETS TO BE IDENTIFIED. THIS WILL IN TURN ENCOURAGE A REVIEW OF VEHICLE NEEDS GENERALLY WITHIN THE PUBLIC SECTOR.

- AND MOST IMPORTANTLY, IT WILL PROVIDE AN ADDITIONAL \$9.5M IN WEIGHT TAX FOR THE STATE'S ROADS PROGRAMME.

THE ADDITIONAL WEIGHT TAX RAISED WILL BE APPROPRIATED ANNUALLY TO THE ROADS AND TRAFFIC AUTHORITY FUND FOR THAT PURPOSE.

THIS IS CONSISTENT WITH THE GOVERNMENT'S TREATMENT OF EXISTING MOTOR VEHICLE TAXES AND THE STATE'S FUEL LEVIES.

REVENUE FROM REGISTRATION FEES, WHICH WILL BE APPROXIMATELY \$1.3M, WILL BE PAID TO THE CONSOLIDATED FUND, FOR APPROPRIATION TO GOVERNMENT SERVICES GENERALLY.



THE BASIC PRINCIPLE OF MOTOR VEHICLE TAXATION RECOGNISES THAT VEHICLES USING THE ROAD SYSTEM SHOULD CONTRIBUTE TOWARDS THE COSTS OF ROAD MAINTENANCE AND REHABILITATION.

THE RATIONALE FOR THE EXISTING GOVERNMENT EXEMPTIONS IS NO LONGER RELEVANT NOR IS IT CONSISTENT WITH THIS GOVERNMENT'S OBJECTIVES.

THERE IS INCREASING ATTENTION BEING GIVEN TO THE EFFICIENCY AND EFFECTIVENESS OF OPERATIONS IN THE PUBLIC SECTOR.

HIDDEN SUBSIDIES SUCH AS EXEMPTIONS FROM WEIGHT TAX AND REGISTRATION CHARGES HINDER THIS PROCESS.

THE PROPOSED CHANGES TO THE EXISTING LEGISLATION WILL ENSURE THAT STATE GOVERNMENT DEPARTMENTS AND AUTHORITIES ARE MORE ACCOUNTABLE FOR THEIR VEHICLE OPERATIONS AND CONTRIBUTE TOWARDS THE COSTS OF ROAD ENHANCEMENT AND MAINTENANCE.

THE EXISTING SPECIFIC EXEMPTIONS FOR STATE OWNED AMBULANCES, MINE RESCUE VEHICLES AND FIRE FIGHTING VEHICLES ARE ALSO TO BE ELIMINATED.





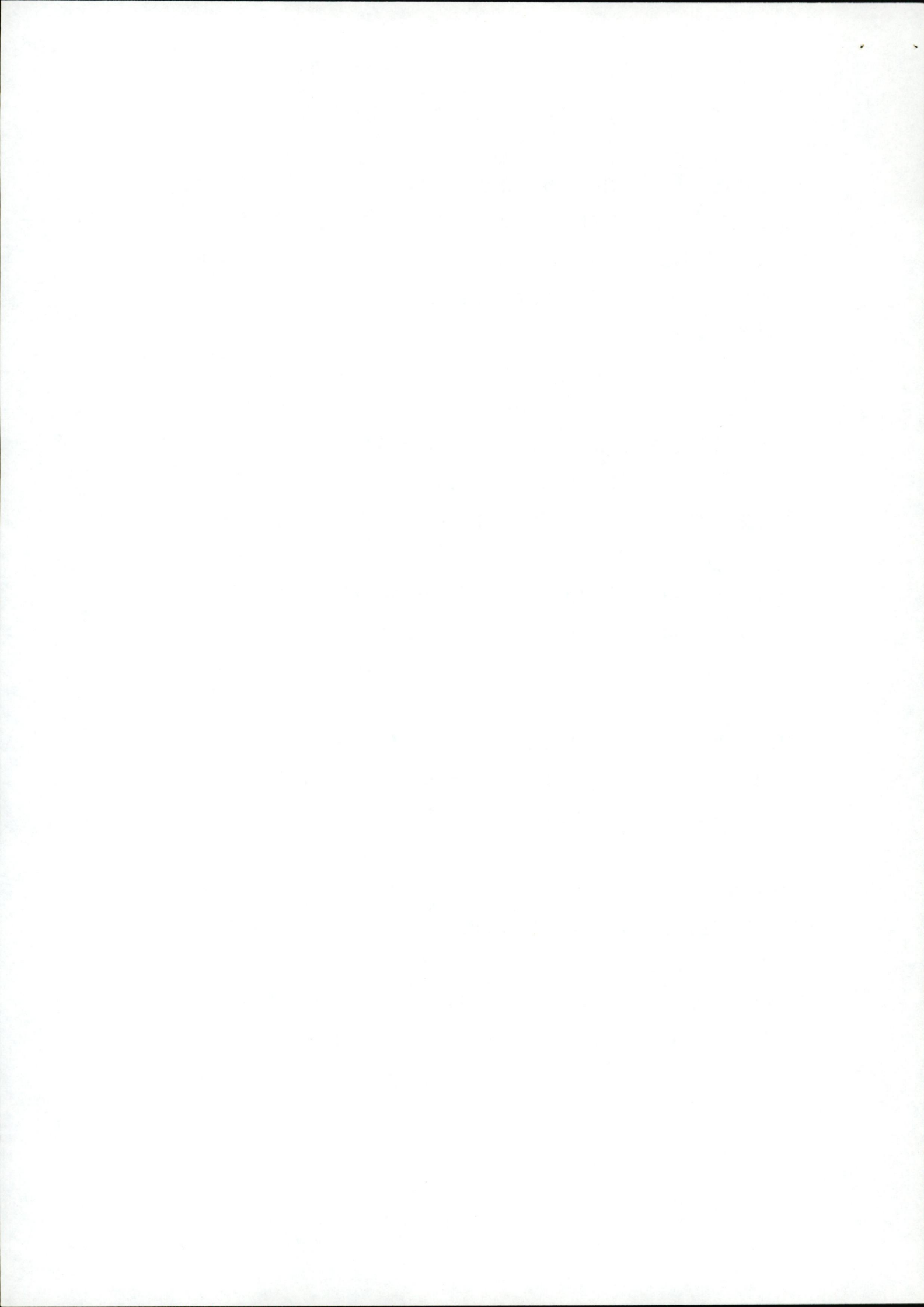
HOWEVER, THE CURRENT LEGISLATION PROVIDES FOR A NUMBER OF SPECIFIC EXEMPTIONS AND CONCESSIONS FOR PRIMARY PRODUCERS, WELFARE CATEGORIES, MOBILE PLANT, TRAILERS AND TOW TRUCKS AND THESE CONCESSIONS WILL CONTINUE TO APPLY.

FOR EXAMPLE, FIRE ENGINES WOULD BE CLASSIFIED AS MOBILE PLANT AND WOULD THEREFORE BE ELIGIBLE FOR THE APPROPRIATE CONCESSION - IN THIS CASE, THEY WOULD PAY ONLY 12% OF THE WEIGHT TAX CHARGE.

SIMILARLY, ALL GOVERNMENT AGENCIES WILL BE ELIGIBLE FOR THE MAJORITY OF THESE CONCESSIONS WHERE THEY ARE RELEVANT.

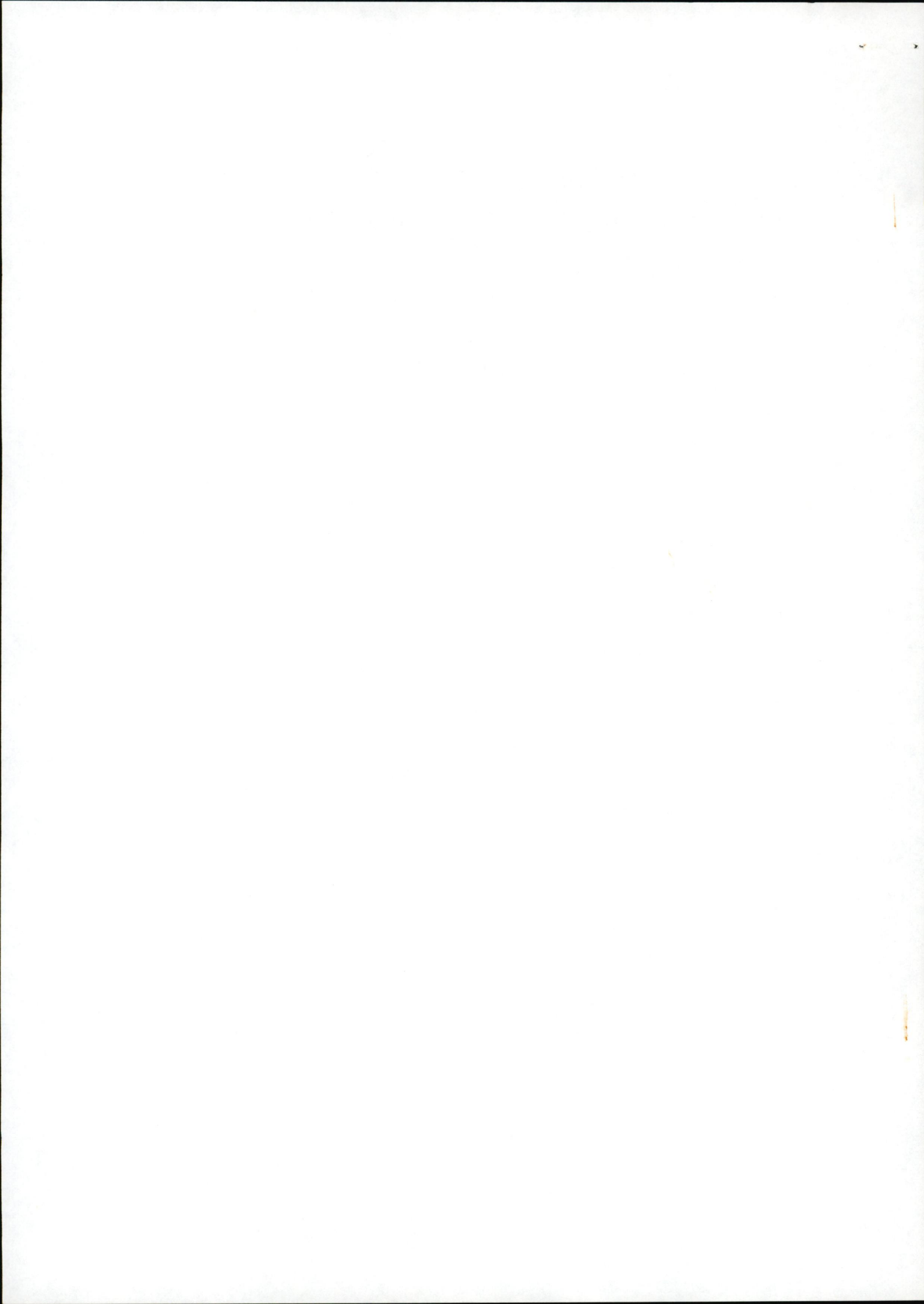
THERE WILL BE NO DIRECT FINANCIAL IMPACT ON THE FAMILY AS A RESULT OF THE LEGISLATION, NOR WILL IT CREATE ANY ADDITIONAL COSTS FOR BUSINESS.

THE FINANCIAL IMPACT ON GOVERNMENT AGENCIES WILL BE RELATIVELY SMALL IN THE CONTEXT OF THEIR TOTAL BUDGETS. THIS, TOGETHER WITH IMPROVED EFFICIENCY AND PRODUCTIVITY SHOULD AVOID THE NEED FOR SIGNIFICANT REDUCTIONS IN THE QUALITY OF SERVICES.



THE WHOLE COMMUNITY WILL, HOWEVER, BENEFIT FROM THE ENHANCEMENT, REHABILITATION AND INCREASED MAINTENANCE OF THE ROAD NETWORK THAT THE ADDITIONAL TAXATION REVENUE WILL FACILITATE.

MR PRESIDENT, I COMMEND THE BILL TO THE HOUSE.



**MOTOR VEHICLES TAXATION AND FEES (AMENDMENT)  
ACT 1992 No. 30**

**NEW SOUTH WALES**



**TABLE OF PROVISIONS**

1. Short title
2. Commencement
3. Amendment of Motor Vehicles Taxation Act 1988 No. 111
4. Amendment of Traffic Act 1909 No. 5

**SCHEDULE 1—AMENDMENT OF MOTOR VEHICLES TAXATION ACT 1988**

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**MOTOR VEHICLES TAXATION AND FEES (AMENDMENT)  
ACT 1992 No. 30**

**NEW SOUTH WALES**



**Act No. 30, 1992**

An Act to amend the Motor Vehicles Taxation Act 1988 to require the payment of tax in relation to government-owned motor vehicles; to amend the Traffic Act 1909 to require the payment of fees in relation to the registration of such vehicles; and for other purposes. [Assented to 18 May 1992]

*Motor Vehicles Taxation and Fees (Amendment) Act 1992 No. 30*

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**The Legislature of New South Wales enacts:**

**Short title**

1. This Act may be cited as the Motor Vehicles Taxation and Fees (Amendment) Act 1992.

**Commencement**

2. This Act commences on 1 July 1992.

**Amendment of Motor Vehicles Taxation Act 1988 No. 111**

3. The Motor Vehicles Taxation Act 1988 is amended as set out in Schedule 1.

**Amendment of Traffic Act 1909 No. 5**

4. The Traffic Act 1909 is amended by inserting after section 11C the following section:

**Fees in relation to registration of vehicles**

11D. Any fees relating to the registration of motor vehicles payable under this Act are payable by the Crown in respect of vehicles owned by the Crown and by a statutory body representing the Crown in respect of vehicles owned by the statutory body.

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**SCHEDULE 1—AMENDMENT OF MOTOR VEHICLES  
TAXATION ACT 1988**

(Sec. 3)

(1) Section 3A:

After section 3, insert:

**Act binds Crown**

3A. This Act binds the Crown in right of New South Wales and, in so far as the legislative power of Parliament permits, the Crown in all its other capacities.

(2) Section 6 (Tax payable for STA and SRA vehicles):

Omit the section.



*Motor Vehicles Taxation and Fees (Amendment) Act 1992 No. 30*

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SCHEDULE 1—AMENDMENT OF MOTOR VEHICLES  
TAXATION ACT 1988—*continued*

(3) Section 16A:

Before section 16, insert:

**Definition**

16A. In this Part, “**government-owned motor vehicle**” means a motor vehicle owned by the Crown or by a statutory body representing the Crown.

(4) Section 16 (**Vehicles totally exempt from tax**):

- (a) After “motor vehicle” in section 16 (1) (a) and (e) wherever occurring, insert “(other than a government-owned motor vehicle)”.
- (b) Omit section 16 (1) (f).

(5) Section 17 (**Exemptions granted by Minister**):

After “motor vehicle” in section 17 (1) (i) and (l) wherever occurring, insert “(other than a government-owned motor vehicle)”.

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[*Minister's second reading speech made in—  
Legislative Assembly on 29 April 1992  
Legislative Council on 7 May 1992*]



FIRST PRINT

**MOTOR VEHICLES TAXATION AND FEES (AMENDMENT)  
BILL 1992**

NEW SOUTH WALES



**EXPLANATORY NOTE**

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

The objects of this Bill are:

- (a) to amend the Motor Vehicles Taxation Act 1988 so as to provide that the Crown is bound by the Act to pay motor vehicle tax for government-owned vehicles and to abolish exemptions from motor vehicle tax which currently apply to government-owned motor vehicles, specifically to mine rescue vehicles, fire fighting vehicles, civil defence work vehicles and ambulances; and
- (b) to amend the Traffic Act 1909 so as to provide for the payment by the Crown of any fees relating to the registration of motor vehicles payable under that Act for government-owned motor vehicles.

The proposed amendments are in accordance with the user-pays principle, will assist the true costs of operating government bodies to be identified and will have the effect of ensuring that these bodies contribute directly towards the costs of road enhancement and maintenance.

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Clause 1 specifies the short title of the proposed Act.

Clause 2 provides that the proposed Act will commence on 1 July 1992.

Clause 3 is a formal provision that gives effect to the Schedule of amendments to the Motor Vehicles Taxation Act 1988.

Clause 4 amends the Traffic Act 1909 to achieve the object set out above.

Schedule 1 (1) inserts into the Motor Vehicles Taxation Act 1988 (the 1988 Act) proposed section 3A, which will cause the Crown to be bound by the provisions of the 1988 Act, including the payment of motor vehicle tax for government-owned vehicles.

*Motor Vehicles Taxation and Fees (Amendment) 1992*

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Schedule 1 (2) repeals section 6 of the 1988 Act. Currently that section provides for an agreed level of motor vehicle tax to be applied to the motor vehicles of the State Transit Authority and the State Rail Authority. That provision will no longer be applicable as motor vehicle tax will be payable in relation to all government-owned vehicles.

Schedule 1 (3) inserts into Part 4 of the 1988 Act a definition of "government-owned motor vehicle", meaning a motor vehicle owned by the Crown or by a statutory body representing the Crown.

Schedule 1 (4) and (5) provide that government-owned motor vehicles that are in use on public streets and that are:

- (a) specially constructed for the work of conveying sick or injured persons or for mine rescue work in accordance with the Mines Rescue Act 1925; or
- (b) used solely for or in connection with the work of fighting bush fires or civil defence work; or
- (c) owned by the Board of Fire Commissioners of New South Wales; or
- (d) used solely or principally as ambulances,

are no longer exempt from the payment of motor vehicle tax.

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**MOTOR VEHICLES TAXATION AND FEES (AMENDMENT)  
BILL 1992**

NEW SOUTH WALES



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**SCHEDULE 1—AMENDMENT OF MOTOR VEHICLES TAXATION ACT 1988**

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**MOTOR VEHICLES TAXATION AND FEES (AMENDMENT)  
BILL 1992**

NEW SOUTH WALES



No. , 1992

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**A BILL FOR**

An Act to amend the Motor Vehicles Taxation Act 1988 to require the payment of tax in relation to government-owned motor vehicles; to amend the Traffic Act 1909 to require the payment of fees in relation to the registration of such vehicles; and for other purposes.

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*Motor Vehicles Taxation and Fees (Amendment) 1992*

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**The Legislature of New South Wales enacts:**

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3. The Motor Vehicles Taxation Act 1988 is amended as set out in Schedule 1.

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**SCHEDULE 1—AMENDMENT OF MOTOR VEHICLES  
TAXATION ACT 1988**

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(Sec. 3)

(1) Section 3A:

After section 3, insert:

**Act binds Crown**

25 3A. This Act binds the Crown in right of New South Wales and, in so far as the legislative power of Parliament permits, the Crown in all its other capacities.

(2) Section 6 (Tax payable for STA and SRA vehicles):

Omit the section.



*Motor Vehicles Taxation and Fees (Amendment) 1992*

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SCHEDULE 1—AMENDMENT OF MOTOR VEHICLES  
TAXATION ACT 1988—*continued*

- (3) Section 16A:  
Before section 16, insert:  
**Definition** 5  
16A. In this Part, “government-owned motor vehicle” means a motor vehicle owned by the Crown or by a statutory body representing the Crown.
- (4) Section 16 (**Vehicles totally exempt from tax**): 10  
(a) After “motor vehicle” in section 16 (1) (a) and (e) wherever occurring, insert “(other than a government-owned motor vehicle)”.  
(b) Omit section 16 (1) (f).
- (5) Section 17 (**Exemptions granted by Minister**): 15  
After “motor vehicle” in section 17 (1) (i) and (l) wherever occurring, insert “(other than a government-owned motor vehicle)”.  

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