

LOW EMISSION VEHICLES — STAMP DUTY

5765. Hon Lynn MacLaren to the Minister for Finance representing the Treasurer

Has Treasury, in this or any previous Government —

- (1) Examined the impact of introducing a stamp duty concession for low emission vehicles, and if so, what was revealed?
- (2) Considered introducing a tax on high emission vehicles, similar to the tax on luxury vehicles?

Hon SIMON O'BRIEN replied:

The Department of Treasury advises:

- (1) Yes.
The previous Government's State Tax Review found that the 'progressive' motor vehicle duty scale already tended to favour smaller (generally cheaper), more fuel efficient cars and that targeted grant schemes would generally be preferred to tax concessions for helping to achieve environmental outcomes.
- (2) The current State Government's submission to the Henry Review indicated that a better overall outcome (vis a vis higher taxes on less fuel-efficient vehicles) could be achieved through more comprehensive road user charging (in combination with the then proposed Carbon Pollution Reduction Scheme) which had regard for distance travelled as well as fuel efficiency or emissions.