



GST – Frequently asked questions

Learn about GST and how it affects driver and vehicle licensing fees.

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1. What is the GST?

The Goods and Services Tax (GST) is a 10% tax on the supply of most goods and services.

2. Will I pay GST on my vehicle licence?

Yes, but only the 'Compulsory Third Party Motor Vehicle Personal Injury Insurance' part of your licence is subject to the GST.

This 'Compulsory Third Party' Insurance policy includes 10% stamp duty.

The Licence Fee and Recording Fee are both GST free.

3. Does the GST apply to any other vehicle or drivers licence fees?

Yes, both vehicle examination (inspection) fees and additional driving test fees (should you not pass your first test) are subject to the GST.

The Third Party Insurance component of Temporary Movement Permits also attracts GST. All other vehicle and drivers licence fees are currently GST free.

4. If I cancel my vehicle licence, can I get a refund of some of the GST that I paid on the Compulsory Third Party Insurance premium?

Yes, you are eligible for a refund of the unused part of the Compulsory Third Party Insurance premium, which includes the GST amount relating to the same period.

5. If I pay for a vehicle examination (inspection) or additional driving test and don't use the service can I get a refund?

Yes, you are eligible for a refund that will include the GST.

6. When I bought my new car the purchase price included the GST. Do I have to include the GST amount in the market value and do I have to pay stamp duty on the GST amount?

Yes, Stamp Duty is calculated on the total purchase price, including GST. This means that when you declare the market value of your vehicle for licence transfer purposes, you must state the total price that you paid for the vehicle, including any GST. Stamp duty will then be calculated on the total, GST inclusive, amount.

7. Do I have to pay the GST on stamp duty?

No, Stamp Duty is GST free.

8. If the licence is for a business vehicle, can input tax credits be claimed on the GST paid on the Compulsory Third Party Insurance premium?

Yes.

9. Can input tax credits be claimed on the GST paid on both vehicle inspection and additional driving test fees?

Yes, GST registered businesses that hold a valid tax invoice can claim input tax credits on both of these services. In both cases, the receipt issued by Licensing Services is the tax invoice.

10. If I pay for a vehicle examination (inspection) or an additional driving test for business purposes and don't use the service can I get a refund?

Yes, you are eligible for a refund that will include the GST. When receiving your refund you will also get a GST adjustment note to enable GST registered businesses to adjust their Business Activity Statement.

11. Who do I talk to, if I need to know more about the GST?

Contact the **Australian Taxation Office**, or a professional tax adviser.

If your question is directly related to your vehicle or drivers licence, please call Licensing Service's Call Centre on **13 11 56**.