



Payments, Fees and Concessions

Questions and Answers

If I pay for the renewal of my vehicle licence online I won't get a receipt for business purposes – what do I use as my tax invoice?

The Department of Transport (DoT) has sought advice from the Australian Taxation Office in relation to the requirements for businesses to claim input tax credits (also known as GST credit).

This advice indicates that provided taxpayer records show that a payment has been made (such as a credit card statement) this is considered acceptable for input tax credit purposes. Therefore DoT is not required to issue a physical receipt for light vehicle licence payments for taxation purposes.

Customers are able to print confirmation of the transaction completed online if required. The issue of a secondary physical receipt is not required.

This is in line with other business practices for payments made online, such as telephone and electricity accounts.

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

Yes, vehicle licence duty is calculated on the total purchase price, including GST.

This means that when you declare the dutiable value of your vehicle for licence transfer purposes, you must state the total price that you paid for the vehicle, including any GST.

Vehicle licence duty will then be calculated on the total, GST inclusive, amount.

Do I have to pay the GST on vehicle licence duty?

No, vehicle licence duty is GST free.

Will I pay GST on my vehicle licence?

Yes, but only the 'Motor Injury Insurance' part of your licence is subject to the GST. This 'Motor Injury' Insurance policy includes 10% GST. The licence fee and recording fee are both GST free.

If the licence is for a business vehicle, can input tax credits be claimed on the GST paid on the Motor Injury Insurance premium?

Yes.

If I cancel my vehicle licence, can I get a refund of some of the GST that I paid on the Motor Injury Insurance premium?

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

Does the GST apply to any other vehicle or driver licence fees?

Yes, a duplicate tax invoice is subject to the GST, the Motor Injury Insurance component of Temporary Movement Permits also attracts GST. All other vehicle and driver licence fees are currently GST free.

If I pay for a vehicle 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.

If I pay for a vehicle 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.

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 Driver and Vehicle Services' Call Centre on 13 11 56.

I have a pension concession on my old car which I just traded in, will my concession be automatically transferred to my new car?

No, You must apply for the concession on your new vehicle by providing evidence of your entitlement such as your pension cards and/or letter confirming the rate of pension you are on to determine your current entitlement.

I have a seniors card concession on my driver's licence and I just received a commonwealth seniors health card – do I have to reapply?

Whenever your entitlements change you should contact Driver and Vehicle Services as you may be entitled to further concessions on your driver and vehicle licenses. This may mean that you will have to reapply to get your full benefits.

I have a pension concession on my old car which I haven't sold yet, but I have already purchased my new car and paid full fees – will I get a refund?

If you have purchased a replacement vehicle and your old vehicle still has a concession applied you cannot apply for a concession on your replacement vehicle until your old vehicle has been restored to full rates.

For a refund on full rates for your new vehicle to be considered you would have to have restored the old vehicle to full rates before the purchase of your new vehicle.

I bought a car with a concession on it from a pensioner do I get to keep the savings on the licence fees?

If you purchase a vehicle that is licensed at concession rates and you are not eligible for the concession, the vehicle licence must be restored to full rates prior to using the vehicle.

Until the vehicle licence has been restored to full rates the vehicle licence will be deemed invalid. The continued use of the vehicle will be in contravention of the *Road Traffic (Vehicles) Act 2012*.

What is "pension age"?

Depending on your birthdate, from 1 July 2017 age pension age will be 65 years and 6 months. After that, age pension age will go up 6 months every 2 years until 1 July 2023.

The pension age for a veteran who has qualifying service is 5 years earlier than pension age for a non-veteran. For further information please refer to: Department of Human Services or Department of Veterans' Affairs.

My car is comprehensively insured why do I have to pay Motor Injury insurance (MI)?

Comprehensive insurance only provides cover for costs of repairs to the insured vehicle and any damage caused to any third party property. It does not cover the cost of injuries to you or your passengers that maybe caused in a motor vehicle crash .

Motor injury insurance is compulsory and a condition of motor vehicle licensing.

Vehicle owners pay a motor injury insurance premium to cover the cost of injury claims made against them by other road users resulting from a motor vehicle accident.

It also provides cover for care and support if a person is catastrophically injured in a motor vehicle crash in Western Australia after the introduction of expanded motor injury insurance cover, whether or not there is any negligence on the part of any driver. The Insurance Commission of Western Australia's provides motor injury insurance in Western Australia.

How is the licence fee on my vehicle calculated?

The formula for licence fee assessment is based upon the unladen weight of your vehicle, and type of vehicle.

If I hold a TPI or EDA pension am I eligible for a concession on my driver's licence?

Yes, veterans who hold a gold Repatriation Health Card endorsed TPI or EDA issued by the Department of Veteran Affairs are eligible for full concession on driver's licence fees.