

AADA WELCOMES BUDGET MEASURES, BUT MORE NEEDS TO BE DONE ON OUTDATED TAXES

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The peak body representing franchised new car Dealers has welcomed the release of the 2024-25 Federal Budget tonight.

“This Budget includes some welcome measures for our industry, including \$60 million for the Dealer charging fund. The fund will help new car Dealers with installing EV charging infrastructure in their businesses in support of the transition to selling and servicing electric vehicles,” said AADA CEO Mr James Voortman.

“We also welcome the announcement of \$3 million to implement the Government’s response to the Review of the Franchising Code of Conduct, which will be used to investigate the feasibility of a licensing model and remake and update the Code prior to its expiration in April 2025,” he said.

“These are important investments in supporting Australian new car Dealers as employers of over 61,000 people, particularly as we head into a period of unprecedented structural change in the industry,” said Mr Voortman.

“While the AADA would have liked to see a resurrection of the previous scheme, we welcome the 12-month extension of the current small business instant asset write-off scheme,” he said.

In contrast, this budget highlights the continuing impost on Australian drivers through automotive taxes such as the Luxury Car Tax and Passenger Vehicle Tariff, with the Government estimated to collect almost \$1.7 billion this financial year from these taxes alone.

“We consider these to be outdated taxes, which are a relic from an era when Australia manufactured vehicles here. Particularly the Luxury Car Tax which often applies to more efficient vehicles and applies to optional features which discourage consumer uptake of safety features,” said Mr Voortman.

These figures highlight recent calls made by the AADA, that Australia needs a comprehensive review of automotive taxes, particularly as we seek to accelerate the uptake of EVs and low emissions vehicles.

ENDS.

For further information please contact:

Ashleigh Sykes
Communications Manager
Australian Automotive Dealer Association Ltd.
E: media@aada.asn.au
M: +61 468 450 563