

ACT GOVERNMENT DELIVERS MORE POTHoles FOR BUYERS AND BUSINESS

25 June 2025

The Australian Automotive Dealer Association (AADA) is disturbed by the ACT Governments budget decision to tax ACT motorists an additional \$100 million over the forward estimates and is calling for it to be immediately removed.

This new 8 per cent tax on all new vehicles sold over \$80,000 will only hurt new car buyers across the ACT during a time in which so many Canberrans are being challenged by cost-of-living challenges.

"There are over 60 new car dealerships across the ACT, who employ over 900 people including 90 apprentices, who are a significant contributor to the ACT economy," said AADA CEO James Voortman.

"There are serious questions that need to be asked of the ACT Government as to why they are targeting new car dealers who are a significant contributor to the ACT economy," he said.

"This new tax will only encourage consumers to purchase vehicles across the border and cement the ACT as one of the worst places in Australia to do business," said Mr Voortman.

This new tax will directly impact middle income families, for example, a Toyota Kluger will now be \$1,300 dearer, whilst Ford Rangers can now be \$1,400 dearer across the Territory thus making it only more expensive for ACT residents compared to their NSW counterparts.

This is also a massive blow to the Federal Government's ability to conclude a free trade agreement with the EU, with the ACT showing that states and territories will simply implement ridiculous taxes of their own.

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