

ACT BUDGET DELIVERS ANOTHER BLOW TO MOTORISTS AND BUSINESS

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The Australian Automotive Dealer Association (AADA) has expressed disappointment at the ACT Government's decision to further increase the cost of purchasing new vehicles, describing the latest changes to motor vehicle duty as another example of Canberra motorists being targeted to repair the Territory's budget position.

Under measures announced in the 2026-27 ACT Budget, high rates of motor vehicle duty will apply to vehicles with higher emissions, adding to the cost of purchasing many new vehicles used by families, tradespeople, and small businesses.

AADA CEO James Voortman said the changes continue [a worrying trend](#) of the ACT Government repeatedly turning to motorists when it needs to raise revenue.

"For the second year in a row, the ACT Government has chosen to increase taxes and charges on people purchasing vehicles," Mr Voortman said.

"Motorists are increasingly being treated as a convenient source of revenue to help address the Territory's budget challenges. At a time when cost-of-living pressures remain significant, this is a disappointing outcome for consumers and businesses alike."

Mr Voortman said the industry was particularly concerned by the lack of consultation prior to the announcement, despite the significant impact the changes will have on vehicle buyers and retailers.

"The ACT Government and Treasurer have not meaningfully engaged with the retail automotive industry before introducing these measures, despite dealers being responsible for administering the Territory's motor vehicle duty system and helping consumers navigate these costs every day."

Governments should focus on policies that encourage fleet renewal rather than making it more expensive for consumers to access newer technology.

"New vehicles are safer, cleaner and more fuel-efficient than the vehicles they replace. Public policy should be encouraging consumers to upgrade to newer vehicles, not creating additional barriers to doing so."

"The ACT Government should work collaboratively with industry to achieve its environmental objectives while ensuring motorists and small businesses are not unfairly burdened by additional taxes and charges."

While the AADA acknowledges the Government has delayed previously announced registration indexation, the Budget shows that registration charges will increase significantly over the forward estimates.

ENDS.

For further information please contact:

Ashleigh Sykes
Communications Manager
E: media@aada.asn.au
M: +61 468 450 563