

Submission 64 – RVS Legislation Consultation

Australian Historic Vehicle Interest Group

The Relevant Minister,
Department of Infrastructure and Regional Development,
Canberra,
ACT 2600

15 February 2018

By email only: MVSAreview@infrastructure.gov.au (submitted at 4.59pm Qld time) Dear

Minister

2018-19 Federal Budget – Pre-Budget Submission

Application of the Luxury Car Tax (“LCT”) to the importation of vehicles over 30 years old (“Historic Cars”)

AHVIC is a group of individuals concerned at the depletion of Australia's once-great historic car fleet (cars over 30 years old¹) and legislative barriers to its replenishment. The Luxury Car Tax represents the greatest barrier, and we have recently lodged a substantial Pre-budget submission with Treasury about this²³.

It, and other obstacles to importation of Historic Cars Australia has lost to overseas, or their reimportation, effectively deprive Australians of business opportunities and jobs, by participating in the world wide boom in interest and associated economic activity.

This is of even greater concern now with the cessation of vehicle manufacture in Australia, with the skilled workers made redundant missing out in the opportunities enjoyed by others overseas.

It is therefore of concern to note the additional impediments to the importation or reimportation of Historic Cars contained in the Exposure Draft of the *Road Vehicle Standards Rules 2017* (RVSRs).

At present, such vehicles are imported under what is known as the pre-1989 option, deriving from Motor Vehicle Standards Regulation (MVSR) 17, which relevantly provides:

"The Minister must approve an application to import a nonstandard road vehicle, or a vehicle that does not have an identification plate, if the vehicle was manufactured before 1 January 1989."

That means the entitlement to obtain approval (in the form of a Vehicle Import Approval, or VIA) is absolute – the Minister has no discretion to refuse an application.

Contrast that with Section 36 of the RVSRs, where the Minister is given a discretion to refuse an application for an "older vehicle" (the new nomenclature for vehicles aged 25 years or older).

¹ This is the internationally accepted age for Historic Cars and this is reflected in, for example, the Customs Duty exemption for such cars (*Customs Tariff Act 1995*, Schedule 4, Item 36).

² Accessible here <https://tinyurl.com/yabwuqqg> This also explains more about AHVIC.

AHVIG does not understand why the existing absolute right is now subject to Ministerial discretion. None of the explanatory material, including the Explanatory Memoranda to the Bills, explains why this right is being taken away. AHVIG submits the absolute right currently prevailing for pre-1989 vehicles should be preserved.

0418 719 430

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Under the MVSRs, there does not appear to be any provision for inspection of pre-1989 vehicles before a VIA may be granted.

However, under the RVSRs, Section 33(1)(b), a new entitlement to require inspection of a vehicle is introduced. Often, Historic Cars are sourced in remote places around the world, and the cost of arranging an inspection would be prohibitive.

We submit this provision should not apply to importation of pre-1989 vehicles, as it does not currently apply.

Given the entirely different legislative regimes applying pre and post 1 January 1989, in particular, with the

multiple ADRs applying after that date, there may be a case to differentiate between older vehicles

RAV, or bear a post 1 January 1989 ID plate. We submit the easier provisions should also apply to Historic

“ “ ” made pre and post that date, with the current system being preserved for those made

before.

We refer also to the provisions regarding "reimportation" of motor vehicles, commencing at RVSR Section 147 and note with concern those provisions can only be utilised if those vehicles are already on the cars that were once resident in Australia.

Please contact the Chairman, Doug Young, on 0418 719 430 or doug_young@inet.net.au in the first instance should you require further information or clarification.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Douglas Young", with a horizontal line underneath.

Douglas Young

Chair

[Former: Chair, Business Law Section, Law Council of Australia, and a number of its expert committees, Qld Managing Partner of Blake Dawson Waldron (now Ashurst Australia), and President of the Vintage Car Club of Qld Inc 2012-16].