

DEALERS WELCOME ELECTRIC CAR DISCOUNT

25 November 2022

The peak body representing franchised new car Dealers welcomes the passing of the Treasury Laws Amendment (Electric Car Discount) Bill through the Senate.

The AADA supports the introduction of measures and incentives that encourage the uptake of zero or low emissions vehicles by Australian consumers.

“This is a good outcome which delivers on the Government’s election commitment to exempt eligible electric vehicles from fringe benefits tax,” said AADA CEO James Voortman.

“The passage of this Bill will come as welcome relief to all employers and their employees who have leased an eligible EV since 1 July and it will also give certainty to those who are considering doing so in the future,” said Mr Voortman.

“We would have preferred to see the Bill pass without sunset provisions for plug-in hybrid vehicles (PHEVs), but we acknowledge this represents a consensus position,” he said.

“We believe PHEVs provide a good solution for many Australian families with certain mobility needs, particularly in regional areas. We should not lose sight of the fact that PHEVs enjoy significant emission reduction benefits over internal combustion engine vehicles,” he said.

“It is imperative that employees taking out a lease on a PHEV before 1 April 2025 are provided with the FBT concessions across the life of their lease, so the latest amendments proposed by the Australian Greens and Senator David Pocock are critical,” said Mr Voortman.

“This Bill represents a good first step for the National Electric Vehicle Strategy, and we look forward to working with the Government and our automotive industry colleagues to progress the transition to net zero,” he said.

ENDS.

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