

Media Release
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NALSPA Welcomes Electric Car Discount Bill

The peak industry body for the salary packaging and novated lease sector, the National Automotive Leasing and Salary Packaging Association (NALSPA), today welcomes the passing of the Treasury Laws Amendment (Electric Car Discount) Bill 2022 through the Senate.

NALSPA's members fully support the electrification of the Australian motor vehicle fleet as a critical component in the decarbonisation of Australian land transport, which will deliver a range of social and economic benefits.

NALSPA Chairman, Rob Bazzani, says that by providing a fringe benefits tax (FBT) exemption for certain employer provided Electric Vehicles (EVs), the Bill will go a long way towards driving their increased take-up in Australia.

"We congratulate the Federal Government, together with the crossbench Senators, for delivering on this important election commitment, which will make eligible low and zero emissions vehicles (ZLEVs) significantly more affordable via salary packaging arrangements," Mr Bazzani said.

"Those congratulations extend to the decision to provide clarity on the enduring availability of the FBT exemption for the life of relevant vehicles (excluding re-commitments), which is critical in instilling confidence in employees and employers alike regarding overall affordability when deciding to commit to an EV investment."

"We note the comments of the Federal Treasurer Jim Chalmers who stated upon initial introduction of the Bill that for individuals using a salary sacrifice arrangement to pay for the same EV model, their saving would be up to \$4,700 a year."

"By providing an exemption from FBT, the Bill will help to address, in part, the cost impost of an EV which acts as a significant barrier for Australians when considering making the switch to a ZLEV."

"NALSPA also welcomes the inclusion of plug-in hybrid electric vehicles (PHEV) as they provide a viable, interim alternative to EVs for many Australians and are therefore vital for inclusion in the Bill."

"NALSPA members are at the forefront of educating their clients and customers in their consideration of and transition to ZLEVs and we look forward to continuing to play an even deeper and proactive role in the electrification of Australia's vehicle fleet."

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