

# MEDIA RELEASE



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25 National Circuit  
FORREST ACT 2603  
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## EXEMPT SLEEPER CAB AIR CONDITIONERS FROM FUEL TAX

The fuel used to run sleeper cab air conditioners in long distance trucks should be exempt from fuel tax, the Chief Executive of the Australian Trucking Association, Stuart St Clair, said today.

Mr St Clair was releasing the ATA's submission to the tax office on fuel tax credits for auxiliary equipment fitted to trucks and trailers such as refrigeration units and cement mixers.

Mr St Clair said that many long distance trucks with sleeper cabs are fitted with small air conditioning units that operate while the truck is stationary, the truck engine is off and the driver is resting.

"The Administrative Appeals Tribunal ruled last year that only fuel used 'for travelling' is subject to the 25.5 cents per litre road user charge," Mr St Clair said.

"The fuel used to operate sleeper cab air conditioners is not used for travelling. It is used to regulate the sleeper cab temperature while the truck engine is off and the driver is resting. It should not be subject to the road user charge.

"This would enable trucking operators to claim up to \$300 in additional fuel tax credits per truck per year."

The submission argues that the most important ambiguity in tax office's current approach to fuel tax is the application of the carbon charge to the fuel used in a truck or its auxiliary equipment when it is not on a public road.

"In the ATA's view, none of the fuel used by the heavy on-road transport industry, including fuel used off-road for incidental purposes, should be subject to the carbon charge under the existing legislation," Mr St Clair said.

"The ATA's view is based on commercial practice in the trucking industry, and also on the Government's policy intent when it introduced its Clean Energy Legislative Package. The submission demonstrates that Government's intent was to exempt the trucking industry as a whole from the carbon charge until mid-2014, not just the fuel it uses on public roads."

To claim fuel tax credits, businesses need to show how they have used their fuel. The submission argues that the AAT decision raises issues for businesses with equipment that takes power from the main engines of their trucks, such as cement mixers and waste industry vehicles.

"The tax office should amend its guidance material to make it clear that businesses can calculate the average hourly fuel consumption of power take off equipment by using tests or estimates based on established engineering procedures," Mr St Clair said.

"In addition, the tax office should work with the trucking industry and industry associations to develop a schedule of standard percentages that businesses could use as a safe harbour to calculate the fuel used in this equipment," he said.

**The submission is available at:** [www.truck.net.au/advocacy/submissions/auxiliary-equipment](http://www.truck.net.au/advocacy/submissions/auxiliary-equipment)

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