

MEDIA RELEASE



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FREEZE THE ROAD USER CHARGE IN THE FEDERAL BUDGET

The Australian Government should freeze the trucking industry's road user charge in the 2015-16 Budget, the Chief Executive of the Australian Trucking Association, Stuart St Clair, said today.

The freeze is one of the recommendations in the ATA's 2015-16 pre-Budget submission.

"The trucking industry pays for its use of the road through heavy vehicle registration fees and a road user charge on fuel, currently 26.14 cents per litre. The industry has been overcharged since 2007 because this system underestimates the number of trucks on the road," Mr St Clair said.

"In 2014-15, the trucking industry was overcharged by more than \$200 million.

"The independent body responsible for setting the road user charge, the National Transport Commission, last year recommended changes to the way this charge is calculated to eliminate over-recovery.

"The state transport ministers put off implementing the NTC recommendations until 2016, although the Australian Government acknowledged the over-recovery and decided to freeze the road user charge in 2014-15.

"The trucking industry is still being overcharged. As a result, the Government should continue to freeze the road user charge until this overcharging has been addressed."

The submission also recommends the Government should increase the small business threshold from \$2 million to \$3 million, and investigate the possibility of an increase to \$5 million.

"The Board of Taxation has acknowledged that the small business threshold has not been updated since 2007 and is outdated," Mr St Clair said.

"The current ATO definition of a 'small business' - a business with a turnover of \$2 million (excluding GST) or less - does not cover many trucking operators who would otherwise be considered a small business because they employ fewer than 20 workers.

"These businesses have a high turnover by small business standards but low margins. They may not possess sophisticated resources to deal with tax administration requirements. Raising the small business turnover threshold to \$3 million, with the possibility of extending it to \$5 million, would reduce the red tape and tax compliance costs faced by these businesses."

The submission is available at: <http://www.truck.net.au/advocacy/submissions/ata-2015-16-pre-budget-submission>.

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