

MEDIA RELEASE



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ATA WELCOMES CUT TO TRUCK FUEL TAX RATE

The Australian Trucking Association has welcomed the Australian Government's decision to reduce the truck fuel tax rate – known as the road user charge – from 26.14 to 25.9 cents per litre from 1 July 2016.

The reduction was one of the recommendations in the ATA's 2016 pre-budget submission, and follows several meetings between the ATA and senior ministers. It will save a typical owner-driver about \$200 in 2016-17, and a typical small fleet operator about \$1,100.

ATA Chief Executive Christopher Melham thanked the Federal Minister for Infrastructure and Transport, the Hon. Darren Chester MP, for working to address the ongoing overcharging faced by the trucking industry.

"The trucking industry pays for our use of the road system through heavy vehicle registration fees and a road user charge on fuel. However, the industry has been overcharged since 2007, because the system used to calculate the charges underestimates the number of trucks on our roads," Mr Melham said.

"The Australian, state and territory governments last year agreed to a two-year freeze in their revenue from heavy vehicle charges in response to the problem.

"Reducing the road user charge from the current 26.14 cents per litre to 25.9 cents per litre will ensure that the Government's predicted revenue from the road user charge remains constant.

"The decision builds on, and goes further than, the Government's previous decisions to freeze the road user charge rate in 2014 and 2015.

"It's great news for trucking operators in advance of next week's Federal Budget and follows the repeal of the Road Safety Remuneration Act and tribunal last week," Mr Melham said.

The road user charge is imposed as a reduction in the fuel tax credits that trucking businesses can claim through the BAS process. As a result of the decision, the fuel tax credit rate for eligible heavy vehicles will increase from 13.36 cents per litre to 13.6 cents per litre from 1 July 2016.

The Minister's road user charge determination is available at
<https://www.legislation.gov.au/Details/F2016L00556>.

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