



AUSTRALIAN CUSTOMS NOTICE NO. 2008/32

Increase to the Luxury Car Tax Threshold

This notice is to advise of the recent increase in the Luxury Car Tax (LCT) threshold. The Australian Taxation Office has advised in LCT Determination 2008/01 that, as of 1 July 2008, the Luxury Car Tax threshold has increased to \$57,180 for the 2008-09 financial year.

Any motor vehicle defined as a 'luxury car' in *A New Tax System (Luxury Car Tax) Act 1999* with a value above \$57,180 is subject to luxury car tax on the portion of its value that exceeds the threshold. The LCT is imposed on luxury cars at the retail level and is calculated in addition to any GST that may be payable.

All related information within the Integrated Cargo System (ICS) has been updated to reflect the new threshold. For processing within the ICS, in cases where the LCT value exceeds the LCT threshold:

- each entry line must have one car only; and
- each entry line must be dealt with in one of the following ways:
 - by quoting the importer's valid Australian Business Number (ABN), or
 - use a valid exemption code, or
 - pay the LCT.

Where LCT is not applicable, importers do not need quote their ABN to claim exemption or separately claim another exemption type. In these circumstances, importers may include several cars on a single entry line.

For queries concerning this ACN, please contact the Customs Information and Support Centre on 1300 363 263.

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CANBERRA ACT

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