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**Public Ruling
Duties Act:**

**REASSESSMENT OF VEHICLE
REGISTRATION DUTY—CANCELLED
TRANSACTION**

A Public Ruling, when issued, is the published view of the Commissioner on the particular topic to which it relates. It therefore replaces and overrides any existing private rulings, memoranda, manuals and advice provided by the Commissioner in respect of the issue/s it addresses. Where a change in legislation or case law (the law) affects the content of a Public Ruling, the change in the law overrides the Public Ruling—that is, the Commissioner will determine the tax liability or eligibility for a concession, grant, subsidy or exemption, as the case may be, in accordance with the law.

What this Ruling is about

1. Chapter 9 of the *Duties Act 2001* (the Duties Act) imposes vehicle registration duty on an application to register a vehicle and an application to transfer a vehicle if the person in whose name the vehicle is to be registered differs from the person in whose name the vehicle is registered. The duty is imposed on the dutiable value of the vehicle.¹
2. Section 395 of the Duties Act outlines the circumstances where the Commissioner of State Revenue (the Commissioner) must make a reassessment of vehicle registration duty paid as if the application to register or transfer the vehicle (the application) was exempt from vehicle registration duty.²
3. One of the circumstances is where the Commissioner is satisfied that vehicle registration duty was paid for an application and the transaction is cancelled within three months after the application is made.³
4. This Public Ruling clarifies the Commissioner's practice in relation to the reassessment of vehicle registration duty when the transaction is cancelled.

¹ Section 377(2) of the Duties Act

² Section 395(2) of the Duties Act

³ Section 395(1)(b) of the Duties Act

Ruling and explanation

5. The Commissioner's power to reassess vehicle registration duty in the circumstance outlined in paragraph 3 only arises where the transaction dealing with the acquisition or disposal of the vehicle (the underlying transaction) is cancelled. To remove any doubt, the Commissioner's obligation to reassess does not arise if the application is cancelled but the underlying transaction remains in effect.
6. The transaction must be cancelled within three months after the application is made.⁴
7. An application for reassessment of the duty (reassessment application) must be made by the person who paid the duty on the application.⁵
8. A reassessment application can only be made within one year after the application was made.⁶ The Commissioner does not have the power to extend that timeframe. Any reassessment application lodged after one year will be of no effect and cannot be processed by the Commissioner.
9. As the power to reassess is limited to the situation where the transaction of acquisition or disposal of the vehicle is cancelled, the reassessment application should be supported by evidence the transaction has been cancelled and the vehicle has been transferred back to the original owner.

Date of effect

10. This Public Ruling takes effect from the date of issue.

David Smith
 Commissioner of State Revenue
 Date of Issue 24 August 2009

References

Public Ruling	Issued	Dates of effect	
		From	To
DA395.1.1	24 August 2009	24 August 2009	Current

⁴ Section 395(1)(b) of the Duties Act

⁵ Section 395(2) of the Duties Act

⁶ Section 395(3) of the Duties Act