

## PRICING FOR USED MOTOR VEHICLES

I am receiving a number of calls from dealers who have been reading advice on the Clarity in Pricing Legislation that has been sent to them from other states of Australia advising that stamp duty needs to be included in the final price of a used motor vehicle.

This is not the case in Western Australia. I specially asked for this matter to be raised with the ACCC and as a consequence we have a separate arrangement in Western Australia where the stamp duty is not paid by the dealers but by the customer after the sale has been completed.

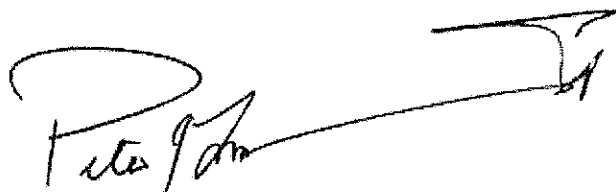
As a consequence in the ACCC pricing manual that I referred you to in a recent Alert Notice it states quite clearly at the top of page 9 *“if your customers are paying a tax duty fee, levy or charge directly to a relevant authority the amount would not be a component of your price and would therefore not be included in the single price”*. This applies in Western Australia where the stamp duty is paid separately on used vehicles unlike some other states where it is paid for by the dealer at the time of sale.

The simple rule is stamp duty must be included in the final price of a new vehicle because it is paid for by the dealer and is part of the price for the vehicle. It does not have to be included in the price for a used vehicle because it is paid as a separate transaction.

Remember the old adage: “when in doubt read the manual” or at least read my Alert Notices and ignore those from other jurisdictions.

Yours sincerely

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A handwritten signature in black ink, appearing to read 'Peter Fitzpatrick', with a long horizontal line extending to the right and a vertical line at the end.

PETER FITZPATRICK AM JP FSAE GAICD  
CHIEF EXECUTIVE OFFICER