



An Australian Government Initiative

AusIndustry

LPG Vehicle Scheme

CUSTOMER GUIDELINES

ABOUT THE LPG VEHICLE SCHEME

The purpose of the Scheme is to encourage the use of Liquefied Petroleum Gas (LPG) as a transport fuel. The purpose of the grant is to provide an incentive for prospective buyers of private use vehicles to purchase new LPG vehicles or to convert new or used petrol or diesel vehicles to LPG.

Before deciding to participate in the scheme, prospective LPG users should consider the costs and benefits of using LPG including the purchase cost of an LPG vehicle and/or system, the impact of the grant and the longer term prospects for LPG prices compared with the costs and benefits of the purchase and operation of a petrol or diesel vehicle.

GRANT ASSISTANCE AVAILABLE

Two different grants are available:

1. A grant of \$2,000 will be paid following the LPG conversion of a new or used petrol or diesel motor vehicle
2. A grant of \$1,000 will be paid following the purchase of a new motor vehicle with an LPG unit fitted at the time of manufacture of the vehicle

VEHICLE OWNERS WHO CAN APPLY FOR A GRANT

The grants are available to registered owners of a new vehicle with an LPG unit fitted at the time of manufacture of the vehicle or registered owners who have a new or used petrol or diesel vehicle converted to LPG on or after 14 August 2006. There can only be one grant per person every three years regardless of the number of eligible vehicles registered in that person's name.

An eligible vehicle:

- is for private use (not commercial or business use)
- is a passenger or light commercial vehicle less than 3.5 tonnes Gross Vehicle Mass
- must be registered in the Australian state or territory of residence of claimant
- is not subject to a novated lease or salary sacrifice arrangement
- must be registered for private use in NSW, VIC, QLD, WA, and the ACT
- must be declared for private use if registered in SA, TAS and NT

Applicants who have or will receive assistance for LPG conversions under state government assistance programs are still eligible to receive assistance under this program.

VEHICLE OWNERS UNABLE TO APPLY FOR A GRANT

The following are not eligible to apply for a grant:

- registered vehicle owners who are incorporated entities (e.g. company or association), sole traders and partnerships
- registered owners of vehicles that are subject to a novated lease
- registered owners of vehicles that have been acquired through salary sacrifice
- vehicle owners whose vehicle is unregistered

GRANT ARRANGEMENTS FOR FAMILIES WITH MORE THAN ONE CAR

If you and your partner own two vehicles, each registered in different names, then you can both claim the grant. If you and your partner are joint registered owners of a vehicle then one of you can apply for the grant for that vehicle. If your partner is also the registered owner of another vehicle, they may apply for the grant for that vehicle. If children are the registered owners of other vehicles, then each of those children are eligible to claim the grant for their vehicle.

APPLYING FOR A GRANT

Individuals applying for a grant need to provide a completed Application Form with supporting documents by hand or by post to a Centrelink Customer Service Centre or Medicare Office. You can lodge your application any time on or after 1 October 2006. You must lodge your grant application within 12 months of the date of purchase of a new vehicle or conversion installer payment receipt.

The application form will be available from the AusIndustry website or from any Centrelink Customer Service Centre or Medicare shopfront, from early September.

The application form requires the following information from the **grant applicant**:

- contact details
- vehicle registration
- account details and the name of the bank or financial institution

The application form also requires information from your **motor dealer or LPG conversion kit installer**:

- contact details
- ABN
- accreditation number
- declaration that the installation is complete

Complete applications must include the following **supporting documents**:

- proof of payment for the new vehicle **OR** proof of payment for the installation of the LPG conversion, **AND**
- vehicle registration paper.

For applicants lodging an application in **person**, original **supporting documents** will be copied and returned to you at the time of lodgement.

For **postal** applications please **do not provide the original supporting documents**. Certified copies of original documents should be provided. Original documents may be certified by a Commonwealth, State or Local Government Official, a Commissioner for Declarations or a Justice of the Peace. This person must certify the documents with their name and signature as well as sufficient information such as their authority to certify, address or telephone number to enable their credentials to be checked if necessary.

Incomplete applications will be returned and will delay payment.

Completed applications should be lodged at any local **Medicare Office / Centrelink Customer Service Centre** or posted to: **LPG Claim Processing Unit, G.P.O Box 1536 Adelaide SA 5001**.

You need to make a copy of the application form for your records.

GRANT PAYMENT ARRANGEMENTS

All applicants will be advised of the outcome of their grant application by letter. Payments will be made after 1 October 2006. After this date, payments will be made to your nominated financial institution within 10 working days of submitting your complete application.

Please note that payments cannot be made over the counter at Centrelink Customer Service Centres or Medicare offices.

Claims cannot be submitted before you have paid for the new LPG vehicle or the LPG conversion.

GRANT IMPACT ON TAX ARRANGEMENTS

The grant will not be assessable for income tax purposes where the vehicle is for private use. This means that you will not have to pay income tax on the grant or declare it on your income tax return.

If your vehicle is registered for private use and sometimes used for business purposes the grant may be assessable for income tax purposes.

Driving your private use car to and from your place of employment is not considered business use.

If you are unsure of your tax circumstances you should seek advice from the Australian Tax Office.

The grant is not subject to GST.

It is the Government's intention that the grant will not be assessed as income for social security purposes.

CONFIRMATION THAT NEW VEHICLES ARE ELIGIBLE AND LPG CONVERSION IN NEW OR USED VEHICLES HAS OCCURED

A compliance program will be undertaken to confirm the following:

- the applicant's name is on the registration papers for the vehicle
- payment details correlate to the registered vehicle owner, payments will only be made to the applicant
- State or territory motor registry records may be checked to ensure that the registration details are correct.
- ABN and business name on the proof of payment provided by the new car dealer or LPG installer are valid
- confirmation of installation date of LPG conversion
- business records that relate to the installations may also be checked.

FACTORS TO CONSIDER BEFORE CONVERTING YOUR VEHICLE TO LPG

Many types of vehicles are suitable for conversion to LPG. Almost all unleaded petrol fuelled vehicles can (subject to space limitations) be converted to LPG operation. However, you should contact your motoring association for specific advice on the suitability of your vehicle. Your motoring association can also put you in touch with your local accredited conversion provider.

In considering an LPG conversion or purchase of a vehicle with an LPG unit fitted, you should discuss the implications, if any, for warranties provided by the vehicle manufacturer, dealer and/or the LPG installer.

Systems typically range in price from about \$1,500 to \$3,400 installed depending on the type of vehicle, type of system and operation.

Conversions using second hand LPG units are eligible for the grant. Repairs, maintenance and upgrades of existing LPG systems are not eligible for the grant. You can only undertake an LPG installation on your own vehicle and claim the grant if you meet state/territory based regulatory requirements and are able to provide proof of payment for the installation with your application.

TELL ME MORE ABOUT LPG COSTS

LPG is currently excise free but it will become subject to excise in the future. No excise will be applied to LPG until 1 July 2011. The full rate of excise to apply to Liquefied Petroleum Gas (LPG) used in vehicles will be 12.5 cents per litre. This rate will apply from 1 July 2015. The planned excise rates for LPG are as follows:

1 July 2011	2.5 cpl
1 July 2012	5.0 cpl
1 July 2013	7.5 cpl
1 July 2014	10.0 cpl
1 July 2015	12.5 cpl

CONFIDENTIALITY

Applications for the LPG Vehicle Scheme will be treated as 'commercial-in-confidence'. Applicant information will be used to process applications and will only be publicly disclosed if the Commonwealth is required or permitted by law to make such a disclosure, or where it has the applicant's consent to do so. The Commonwealth may make limited disclosures to individuals, businesses or other organisations to verify claims made in applications. The Commonwealth may use any information received in applications in any other legitimate governmental business, including disclosure of any information to Commonwealth or State or Territory Government agencies, or to contractors engaged by the Commonwealth in connection with the program. The Commonwealth may make public the broad details of successful applications.

The information provided on the application form will be passed to Centrelink to allow them to administer the payment of the LPG Vehicle Scheme grant. Limited relevant information may be disclosed to third parties to verify the accuracy of the information provided in the application for the grant and to assess eligibility for payment and to ensure LPG regulatory requirements are met.

WHERE TO GO FOR MORE INFORMATION

LPG Vehicle Scheme

AusIndustry Hotline:	13 28 46
AusIndustry Website:	www.ausindustry.gov.au
ATO:	www.ato.gov.au Phone: 132 861
Centrelink:	www.centrelink.gov.au Phone: 1800 050 004
Medicare:	www.medicareaustralia.gov.au Phone: 132 011

Ensuring Your Vehicle is Suitable for Conversion

The state based motoring associations and other groups provide information that can help you make the decision about LPG conversion for your vehicle. Contact details for some of these groups are listed below.

LPG Association: www.lpgaaustralia.com.au Phone: 02) 9319 4733
RACQ (QLD): www.racq.com.au Phone: 131 905
RACT (TAS): www.ract.com.au Phone: 1800 655 756
RACV (VIC) www.racv.com.au Phone: 131 955
RAWA (WA) <http://rac.com.au> Phone: 131 703
NRMA (NSW and ACT): www.mynrma.com.au Phone: 131 122
RAASA (SA): www.raa.net Phone: 1800 818 385
AANT (NT): www.aant.com.au Phone: 08) 89813 837

Ensuring Your Installer is Properly Accredited

Each state and territory has its own accreditation system. In all states the installer is required to fit a LPG compliance plate to your vehicle as part of the installation process. Most states also require a certificate or report that has to be taken to the state transport authority. You should ask your installer for accreditation/registration/certification details.