



LPG Vehicle Scheme

Frequently Asked Questions

Please read the *LPG Vehicle Scheme Customer Guidelines* before submitting your LPG Vehicle Scheme Application Form.

What is the purpose of this Scheme?

The objective of the Scheme is to capitalise on Australia's LPG resources by encouraging people using vehicles for private use to buy new LPG vehicles or convert existing vehicles to LPG.

What level of assistance is available?

There are different grants available, subject to eligibility criteria:

1. a grant of \$2,000:
 - a. for the LPG conversion of a new or used petrol or diesel motor vehicle (this includes new or used vehicles where the conversion occurs after the vehicle is registered; and new vehicles where the LPG unit is fitted after manufacture but before the vehicle is registered for the first time); or
 - b. for the purchase of a new motor vehicle with an LPG unit fitted at the time of manufacture, for vehicles purchased on or after 10 November 2008
2. a grant of \$1,000 for the purchase of a new motor vehicle with an LPG unit fitted at the time of manufacture, for vehicles purchased before 10 November 2008.

The full grant is available regardless of the cost of the LPG conversion or the extra cost of a new dedicated LPG vehicle. For example, the \$2,000 is available for an LPG conversion whether you pay \$1,800 or pay \$3,500.

Why isn't a higher amount offered to cover the full costs of LPG vehicles?

This Scheme is designed to encourage people to convert to LPG powered vehicles. There will be a significant benefit not only to the community, but to individual users in terms of reduced running costs. It is therefore reasonable that users contribute to the cost of an LPG conversion.

Will assistance received under the LPG Vehicle Scheme affect other Commonwealth assistance that I receive?

The grant is not assessable as income for social security purposes.

Can I claim for LPG conversions done or vehicles purchased prior to the Scheme's commencement date?

No. The Scheme is not backdated. You can only apply for the grant if the vehicle was converted to LPG or the new LPG vehicle was purchased on or after 14 August 2006.

Can I claim the grant before I pay for the LPG conversion or purchase the new car?

No. Where you have converted a registered vehicle to LPG, you can claim once the conversion is complete and paid for.

Where you have purchased a new vehicle with the LPG unit fitted before the vehicle is registered, you can claim once the vehicle purchase is complete and paid for.

Why have small businesses been excluded from applying?

The Scheme is designed to assist families that are struggling with high oil prices. Small businesses are already eligible for accelerated depreciation under the small business entity provisions.

Who is eligible to apply?

You are eligible for a grant if:

- you have not received a grant under the Scheme in the previous three years. Three years are calculated from:
 - the date of LPG conversion that was the subject of the previous grant; or
 - the date of purchase of the new vehicle that was the subject of the previous grant
- you have converted a registered vehicle to LPG and the conversion is complete and paid for
 - you will need to show proof that you have paid for the parts AND installation of the LPG conversion kit
- you have purchased a new vehicle with the LPG unit fitted before the vehicle is registered and the vehicle purchase is complete and paid for
 - you will need to show proof that you have paid for a new LPG vehicle.

What is an eligible vehicle?

A vehicle is **eligible** if:

- the vehicle was converted to LPG or the new LPG vehicle was purchased on or after 14 August 2006
- the vehicle is less than 3.5 tonnes Gross Vehicle Mass (GVM)
- for new or used vehicles registered at the time of LPG conversion
 - the vehicle is registered in your name at the date of LPG conversion, and
 - the vehicle is for private use at that time
- for new vehicles fitted with an LPG unit before being registered
 - you are the first registered owner of the vehicle, and
 - the vehicle is registered in your name at the time of purchase and is a vehicle for private use at that time.

Note that only new vehicles can be unregistered at the date of LPG conversion.

What is an ineligible vehicle?

A vehicle is **NOT eligible** if:

- the vehicle is subject to a novated lease at the date of LPG conversion or the purchase of the new vehicle
- the vehicle is financed through a salary sacrifice arrangement at the date of LPG conversion or the purchase of the new LPG vehicle
- the vehicle is a demonstration or second-hand vehicle that was registered to a dealership, or other person, at the time of LPG conversion
- it is a motor scooter, tricycle or boat
- it is a vehicle which is authorised to travel on public roads in limited specified circumstances only, such as classic cars.

I have converted my classic car or street rod to LPG, am I eligible to claim the grant?

No, because the vehicle is authorised to travel on public roads in limited specified circumstances only.

What is a private use vehicle?

A vehicle for **private use** is:

- a vehicle which is registered under the laws of a State or Territory for private use; or family use; or otherwise for the private purposes of an individual; or
- if the laws of the State or Territory under which the vehicle is registered do not differentiate between private use and other kinds of use, such as and business use – a vehicle which the registered owner has declared, on the application form for the Scheme, is for private use.

Can I claim for vehicle conversions using second-hand LPG parts?

Yes. LPG conversions using second-hand LPG parts are eligible for the grant.

Can I claim for LPG system repairs, maintenance or upgrades?

No. Repairs, maintenance or upgrades to an existing LPG system are not eligible for a grant.

Can I do an LPG conversion myself and claim the grant?

You are only eligible to apply if you can provide proof of payment for the LPG conversion of your vehicle. You will need to show proof that you have paid for the parts AND installation of the LPG conversion kit. It is not sufficient to provide an invoice for parts and/or compliance certification.

If I purchased an LPG fitted demonstration vehicle, am I eligible for the grant?

No. An LPG fitted demonstration vehicle is not eligible because, either the vehicle will have been registered to the motor dealer at the time of LPG conversion or, you are not the first registered owner of a new vehicle.

If I purchase a second-hand vehicle from a dealership or other person, am I eligible for the grant?

If the vehicle is registered in your name when it is converted to LPG you are eligible to apply. However, if the vehicle is registered to a dealership, or other person, at the time of LPG conversion you are not eligible to apply.

If my vehicle is on a novated lease, am I eligible for the grant?

If the vehicle is subject to a novated lease at the date of LPG conversion or the purchase of the new LPG vehicle, you are not eligible for the grant.

If my vehicle is acquired through salary sacrifice, am I eligible for the grant?

If the vehicle is subject to a salary sacrifice arrangement at the date of LPG conversion or the purchase of the new LPG vehicle, you are not eligible for the grant.

If my vehicle is on a Hire/Purchase agreement am I eligible for the grant?

Yes. Assuming you meet all other eligibility criteria. Applicants must supply record of deposit and signed finance documents for the outstanding value.

What if my family has more than one car?

If you and your partner are joint registered owners of a vehicle then only one of you can apply for the grant for that vehicle. If your partner is also the registered owner of another vehicle, your partner 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.

I sold my car after the LPG conversion, but before claiming the grant, am I still eligible?

Yes. If you can prove the vehicle was registered in your name at the time of LPG conversion, and you meet all other eligibility criteria you can claim for the grant.

If I have already received assistance via the WA Scheme, am I eligible to apply?

Yes. You must meet all eligibility criteria for the LPG Vehicle Scheme. Application forms from the WA LPG Scheme will not be considered evidence of LPG conversion for this Scheme.

Why can I only receive one grant every 3 years?

Having a cap on the number of LPG conversions is the fairest way to ensure that as many people as possible can benefit from the Scheme. Most people don't acquire a new vehicle more than once every 3 years so this limitation should not represent much of a disadvantage to anyone.

Applying for a grant

Is there a deadline for lodging my grant application?

Yes. You must submit your application form within **12 months** from:

- the date of LPG conversion where you convert a registered vehicle; or
- the date of purchase of a new vehicle.

How do I apply for the LPG Vehicle Scheme?

You **must** lodge your application on a **September 2008** or subsequent application form versions.

Claims can only be processed if **all sections** of the application form have been completed correctly and all certified copies of **supporting documents** are included.

You can take your completed application form to any **Medicare Office** or a **Centrelink Customer Service Centre** or post your application to

LPG Claim Processing Unit

GPO Box 1536

Adelaide SA 5001

You **must include** certified copies of your supporting documents with your application. **Do not** send original supporting documents.

Please retain a copy of your application form for your records. Incomplete applications will delay payment.

Where can I find a current version of the Application Form?

You can find the **February 2009** application form on the AusIndustry website or by calling the AusIndustry Hotline on 13 28 46 and requesting a form. You can request a copy from any Medicare Office or Centrelink Customer Service Centre.

What information do I need to provide in the Application Form?

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

- contact details
- vehicle registration details
- personal bank account details and the name of the bank or financial institution (not credit card account details)
- applicant declaration

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

- contact details
- ABN
- Vehicle dealer licence number or auto gas installer registration/licence or certificate number
- vehicle details
- date of LPG conversion or new vehicle purchase
- declaration that the information provided is correct.

What supporting documents do I need to provide?

Complete applications must include the following supporting documents:

- **Vehicle registration papers** that show:
 - you were the registered owner of the vehicle at the time of LPG conversion (for vehicles that were registered at the date of LPG conversion)

If your registration has been renewed since the time of LPG conversion and you cannot provide that registration document, you can provide your current registration documents that show that the vehicle is registered in your name.
 - you are the registered owner of a new vehicle fitted with LPG (for vehicles fitted with LPG before being registered for the first time).
- **Proof that you have paid** for the LPG conversion of your vehicle **OR** proof that you have paid for the new vehicle fitted with an LPG unit. For LPG conversions, you need to provide proof that you have paid for both parts AND installation.
- **Current driver's licence** (from 1 February 2009)

What if I do not have a current driver's licence at the time of application?

Contact the AusIndustry Hotline on Tel: 13 28 46.

What is considered "Proof of Payment" for an LPG conversion or new LPG vehicle purchase?

- Proof of Payment must include a tax invoice or equivalent and include the following details:
 - the words 'tax invoice' or equivalent, stated prominently
 - the name of the applicant

- the Business name and ABN of the installer/dealer
- the date of issue of the tax invoice
- a brief description of the goods or services sold
- the total price of the sales (including GST)
- evidence that payment has been made in full (e.g. stamped or marked paid in full or have \$0.00 balance owing).
- For LPG conversions you need to provide proof that you have paid for both parts AND installation.
- Proof of Payment for a new LPG vehicle could be a contract of sale. The document must specify that the vehicle has been fitted with an LPG unit. The contract must show the signatures of both the applicant and the dealer.

How do I get my supporting documents certified?

If you take your application form to a **Medicare Office or Centrelink Customer Service Centre** all supporting documents will be copied and certified by the staff and originals returned to you.

For **postal applications** do not provide original documents. You will need to get your documents certified. 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 his/her name and signature as well as sufficient information such as his/her authority to certify, address or telephone number to enable his/her credentials to be checked if necessary. Contact details for each State and Territory are provided in the Customer Guidelines.

What is considered proof of transfer of vehicle ownership for WA and VIC applicants?

If you are a WA or VIC resident and have recently purchased a vehicle and the registration has been transferred to you, you may not have registration papers in your name.

- If you live in WA, you can contact the WA Department of Planning and Infrastructure (DPI) and request a duplicate certificate of registration. This document will incur a fee.
- If you live in VIC, you can contact VicRoads and request a duplicate certificate of registration or a confirmation of registration ownership. Both these documents will incur a fee.

What will happen if my application is considered to be incomplete?

The LPG Claim Processing Unit will write to you within 10 working days advising you of the additional information required. You will have 14 days, from receipt of the letter, to provide the additional information. If the required information is not received in 14 days, your application will be rejected.

If I disagree with a decision made on my application, do I have a right of review?

Yes. You have **13 weeks** from the day on which you are notified of the decision to request a review. The request can be made in person at any Medicare Office, Centrelink Customer Service Centre, by calling the AusIndustry Hotline or by writing to:

LPG Claim Processing Unit
 GPO Box 1536
 Adelaide SA 5001

Upon receiving a request for review, the LPG Claim Processing Unit will arrange for the matter to be reconsidered. This may include further contact with you.

Converting My Vehicle to LPG

What types of vehicles are suitable for conversion to LPG?

There are many types of vehicles that are suitable for conversion to LPG. You should contact your motoring association or your vehicle manufacturer for specific advice on the suitability of your vehicle for conversion to LPG. Contact details for motoring associations are provided in the Customer Guidelines.

How much does it cost to convert to LPG?

Almost all unleaded petrol-fuelled vehicles can (subject to space limitations) be converted to LPG operation. Systems typically range in price from about \$2,000 to \$4,000 installed, depending on the type of vehicle, type of system and operation. You should seek your own advice on LPG conversion options.

Tax Issues

Will I have to pay tax on the LPG grant?

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

I also use my private vehicle part of the time to run my home business, will I have to pay tax on the grant?

If your vehicle is registered for private use and sometimes used for business purposes the grant may be assessable for income tax purposes. If you are unsure of your tax circumstances you should seek advice from the Australian Tax Office on 13 28 61.

Do I pay GST on the LPG grant?

No. The grant is not subject to GST.

LPG Excise

Will the price of LPG increase in the future?

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

Is excise being applied to just automotive LPG or to other uses (eg gas bottles) as well?

Excise will only apply to automotive LPG. Non-vehicle use of LPG will continue to be excise free. This would be the case for home heating and cooking purposes, gas bottles, stationary engines, forklifts and power generation.

Does excise apply to other transport fuels?

Excise is already applied to petrol and diesel. The Government's position is that all fuels should compete in the market on their commercial merits, not their tax treatment.

Where can I find more information about LPG as an alternative fuel?

Such information is readily available from motoring associations.

The LPG Australia Autogas website provides information on LPG conversions and systems, filling locations, payback calculators, equipment lists and location of installers.

Their website is www.lpgautogas.com.au

Installation

How can I be sure that my installer is accredited?

Please ensure that your installer is properly accredited. Each State or Territory has its own accreditation system. In all States or Territories the installer is required to fit an LPG compliance plate to your vehicle as part of the installation process and may require you to provide a certificate or report to your State or Territory transport agency. You should ask your installer their accreditation, registration or certification details. The table below is a guide of State or Territory agencies that may assist you in ensuring your installer is accredited.

NSW	Motor Vehicle Repair Industry Authority (MVRIA)	(02) 9895 0111	www.fairtrading.nsw.gov.au/Consumers/Motor_vehicles.html
VIC	Automotive Alternative Fuels Association (AAFRB)	(03) 9862 6700	www.aafrb.com.au
QLD	Department of Mines and Energy	(07) 3898 0375	www.dme.qld.gov.au
WA	Department of Consumer & Employment Protection - Energy Safety	(08) 9422 5200	www.docep.wa.gov.au/EnergySafety
SA	Office of Consumer and Business Affairs (OCBA)	(08) 8204 9696	http://www.ocba.sa.gov.au/licensing
TAS	Workplace Standards Tasmania	1300 366 322	www.wst.tas.gov.au
NT	NT WorkSafe	1800 019 115	www.worksafe.nt.gov.au
ACT	ACT Planning & Land Authority	(02) 6207 1923	www.actpla.act.gov.au