



## **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 increase the use of LPG as a transport fuel.

#### **What level of assistance is available?**

The Scheme provides different grants subject to eligibility criteria:

1. Grants for the LPG conversion of a registered vehicle
  - \$1,750 for a conversion completed between 1 July 2009 and 30 June 2010; or
  - \$1,500 for a conversion completed between 1 July 2010 and 30 June 2011; or
  - \$1,250 for a conversion completed between 1 July 2011 and 30 June 2012; or
  - \$1,000 for a conversion completed between 1 July 2012 and 30 June 2013; or
  - \$1,000 for a conversion completed between 1 July 2013 and 30 June 2014.
2. Grants for the purchase of a new vehicle fitted with LPG prior to first registration
  - \$2,000 - this includes vehicles fitted with LPG at time of manufacture and vehicles fitted with LPG after manufacture but before first registration.

We will determine which grant you are entitled to on the basis of your application information.

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 \$1,500 is available for an LPG conversion whether you pay \$1,800 or pay \$3,500.

#### **I converted my car to LPG before 1 July 2010. Which grant am I entitled to?**

If the conversion is completed on or before 30 June 2010 and all eligibility criteria are met, you are entitled to a grant of \$1,750.

#### **If I convert my car to LPG between 1 July 2010 and 30 June 2011, which grant am I entitled to?**

If all eligibility criteria are met, you are entitled to a grant of \$1,500.

#### **I converted my car to LPG before 1 July 2010 but I haven't lodged my application yet. Which grant am I entitled to?**

Your grant entitlement is determined by the date of LPG conversion, not the date that you lodge your application. If you lodge an eligible claim for a conversion completed before 1 July 2010, you are entitled to a grant of \$1,750. Please note that you must lodge your application within 12 months from the date of conversion.

**I have lodged an application for an LPG conversion completed before 1 July 2010. I haven't been advised of the result. Which grant am I entitled to?**

Your grant entitlement is determined by the date of LPG conversion, not the date that we make a decision about your application. If you have lodged an eligible claim for a conversion completed **before** 1 July 2010, you are entitled to a grant of \$1,750.

**Are there any special circumstances that will entitle me to a grant of \$1,750 for an LPG conversion that is completed after 1 July 2010?**

No – the maximum grant available for an LPG conversion completed between 1 July 2010 and 30 June 2011 is \$1,500.

**I purchased my new vehicle fitted with LPG before first registration before 1 July 2010. Which grant am I entitled to?**

If you meet all program eligibility criteria, you are entitled to a grant of \$2,000.

**Are there different grant amounts for the purchase of new vehicles fitted with LPG before first registration?**

No – there is a single grant of \$2,000 for all new vehicles fitted with LPG prior to first registration. This includes vehicles fitted with LPG at time of manufacture, and vehicles fitted with LPG after manufacture but before first registration.

**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 a new LPG vehicle?**

No. You can only apply for the grant when your LPG conversion or new LPG vehicle purchase is complete.

**Why have small businesses been excluded from applying?**

Small businesses are already eligible for accelerated depreciation under the small business entity provisions.

## Applicant and Vehicle Eligibility

### **Who is eligible to apply?**

You are eligible to apply for a grant if:

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

You must complete your LPG conversion or new LPG vehicle purchase before you make your application. Your application must be lodged within 12 months of LPG conversion or new LPG vehicle purchase.

### **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; and
- the vehicle is less than 3.5 tonnes Gross Vehicle Mass (GVM); and
- for registered vehicles converted to LPG
  - it is a vehicle registered in your name at the date of LPG conversion and is for private use at that time; or
  - it is a registered vehicle purchased by you and **then** converted to LPG prior to registration transfer into your name. The vehicle **is** registered in your name at the time you make your grant application and 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 time of LPG conversion.

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 LPG 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 motor scooter, tricycle or boat
- the vehicle is authorised to travel on public roads in limited specified circumstances only, such as classic cars.

Repairs, maintenance or upgrades to an existing LPG system are not eligible for a grant.

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

You are not eligible to claim the grant if 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:

- registered as a vehicle for private/family use or
- if registration regulations in your State/Territory don't differentiate between private use and other kinds of use, such as business use – you have declared the vehicle 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 you are not the first registered owner of a new vehicle. If you purchase a demonstrator vehicle and **then** convert that vehicle to LPG, you may be eligible for the grant.

### **If I purchase a second-hand vehicle from a dealership or other person and then convert it to LPG, am I eligible for the grant?**

Yes, assuming you meet the program eligibility criteria and you can demonstrate that you purchased the vehicle and **then** converted the vehicle to LPG. The vehicle must be registered in your name and be for private use when you make your grant application.

### **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 provided your partner has not received a grant under the Scheme in the previous three years.

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.

### **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 of a registered vehicle; or
- the date of purchase of a new LPG vehicle.

### **How do I apply for the LPG Vehicle Scheme?**

The application form is available from:

- AusIndustry hotline on 13 28 46;
- [www.ausindustry.gov.au](http://www.ausindustry.gov.au); or
- any Medicare Office or Centrelink Customer Service Centre.

Your application **must** be provided on the **June 2010** or a subsequent application form version. You can find the current 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.

Claims will only be processed if **all sections** of the application form have been completed correctly and all certified copies of **supporting documents** are included. You must complete Section 1, Section 2, Section 3 and sign at Section 5 of the application form. Your installer or dealer must complete Section 6 and must sign at Section 7 of the application form.

Application Forms can be lodged at any Medicare Office or Centrelink Customer Service Centre or posted to:

LPG Claim Processing Unit  
GPO Box 1536  
Adelaide SA 5001

### **Do I need to provide any other documents with my application form?**

Together with your completed application form, you will need to supply certified copies of the supporting documents. If you lodge your application at Medicare or Centrelink, your supporting documents will be copied, certified and originals returned to you. If you lodge your application by post you must provide certified copies of the supporting documents.

### **I converted a registered vehicle to LPG. What supporting documents do I need to provide?**

- Current driver's licence
- Vehicle registration papers that show you were the registered owner at the time of conversion
  - If you purchased a registered vehicle that you converted to LPG **before** the registration was transferred into your name, you need to provide registration documents that show you are **now** the registered owner of the vehicle. You must also provide proof that you purchased the vehicle before the date of LPG conversion.
- Proof of payment for the LPG conversion (a tax invoice showing payment for both parts AND installation).

### **I purchased a new vehicle fitted with LPG before first registration. What supporting documents do I need to provide?**

- Current driver's licence
- Vehicle registration papers that show that you are the registered owner of the vehicle
- Proof you have paid for the vehicle
  - If the LPG conversion was not included in the purchase price of the vehicle, you must also provide a tax invoice for the LPG conversion in your name.

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

Contact the AusIndustry hotline on 13 28 46.

### **What is considered "Proof of Payment" for an LPG conversion?**

- Proof of Payment for a conversion must include proof of payment for both parts AND installation of the LPG kit. It must be 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).

### **What is considered proof of payment for vehicle?**

Proof of Payment for a vehicle could be a contract of sale/purchase. The document must be dated and show the signatures of both the applicant and dealer. For new vehicles fitted with LPG prior to first registration, the document must specify that the vehicle has been fitted with an LPG unit or you must also provide a tax invoice for the LPG conversion in your name.

## 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, and an 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 Transport 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 information required. You will have 14 days, from receipt of the letter, to provide the 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 or Centrelink Customer Service Centre, by calling the AusIndustry hotline or by writing to:

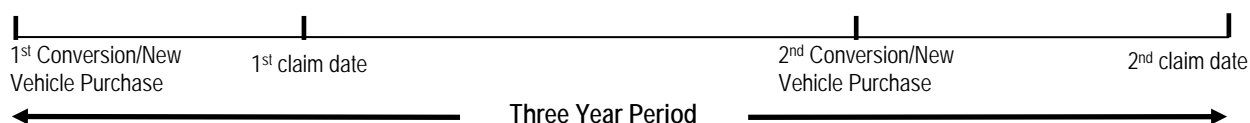
LPG Claim Processing Unit  
GPO Box 1536  
Adelaide SA 5001

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.

## Claiming a Second Grant

### If I have previously received an LPG VS grant, when can I apply for another one?

You are eligible for one grant every three years. The three year period is calculated from the date of the conversion / new vehicle purchase that was the subject of the previous grant to the date of application for the second grant, as shown in the timeline below:



You can lodge an application for a second grant three years after the date of conversion / new vehicle purchase that was the subject of the previous grant. You must lodge your application within 12 months of the date of LPG conversion or the date of purchase of a new LPG vehicle. The application must meet all eligibility criteria.

## 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 \$2,500 to \$4,500 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 used for private purposes. 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 or declared for private use and is 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 Taxation Office on 13 28 66.

### **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](http://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) 9619 8650	<a href="http://www.fairtrading.nsw.gov.au/Consumers/Motor_vehicles.html">www.fairtrading.nsw.gov.au/Consumers/Motor_vehicles.html</a>
VIC	Automotive Alternative Fuels Association (AAFRB)	(03) 9862 6700	<a href="http://www.aafrb.com.au">www.aafrb.com.au</a>
QLD	Department of Employment, Economic Development & Innovation	(07) 3898 0375	<a href="http://www.dme.qld.gov.au">www.dme.qld.gov.au</a>
WA	Department of Consumer & Employment Protection - Energy Safety	(08) 9422 5200	<a href="http://www.commerce.wa.gov.au/EnergySafety">www.commerce.wa.gov.au/EnergySafety</a>
SA	SafeWork SA	1300 365 255	<a href="http://www.safework.sa.gov.au">www.safework.sa.gov.au</a>
TAS	Workplace Standards Tasmania	1300 366 322	<a href="http://www.wst.tas.gov.au">www.wst.tas.gov.au</a>
NT	NT WorkSafe	1800 019 115	<a href="http://www.worksafe.nt.gov.au">www.worksafe.nt.gov.au</a>
ACT	ACT Planning & Land Authority	(02) 6207 1923	<a href="http://www.actpla.act.gov.au">www.actpla.act.gov.au</a>