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## Credits and refunds

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### Credits

If you're not registered for GST and LCT you can't make a LCT adjustment on a BAS. However, you may be entitled to a credit for LCT paid if:

- you overpaid LCT on a sale to you – that is, the supplier paid an amount of LCT that was not legally payable and you've borne the overpaid LCT
- you've borne LCT on a sale, or paid LCT on an importation, where you could have quoted but were unable to quote because you were unregistered at the time of supply or importation
- you've exported a luxury car (on which LCT has been paid) that is a GST-free export.

You're entitled a credit only if no-one else has made a valid claim for a credit in relation to the credit entitlement.

You must claim a credit within four years of becoming entitled to the credit.

### Claiming a credit for LCT

To claim for a credit for overpayment of LCT:

- on a **sale**, you must use the [approved form \(/Forms/Luxury-car-tax-credit---entities-not-registered-for-GST/\)](#), and lodge it within four years of becoming entitled to the credit
- on an **importation**, you must make a claim to the [Department of Immigration and Border Protection \(https://www.border.gov.au/\)](#)
- on a **GST-free export**, you must make a claim to the Australian supplier.

### Refunds

Most primary producers and tourism operators can claim refunds of 8/33 of the LCT they have paid, up to a maximum of \$3,000. This figure (8/33) is the difference between the current LCT rate of 33% and the previous LCT rate of 25%.

These refunds may also apply to imported luxury cars when the LCT has been paid.

### Primary producers

Primary producers can claim a refund for only **one** eligible car purchased or leased in a financial year.

For LCT purposes, a primary producer is an individual, partnership, trust or company carrying on a primary production business, including:

- plant or animal cultivation

- fishing or pearling
- tree farming or felling.

**See also:**

- [Primary production activities \(/Business/Primary-producers/Primary-production-activities/\)](#)
- [Taxation Ruling TR 97/11 \(http://law.ato.gov.au/atolaw/view.htm?docid=TXR/TR9711/NAT/ATO/00001\)](http://law.ato.gov.au/atolaw/view.htm?docid=TXR/TR9711/NAT/ATO/00001) *Income tax: am I carrying on a business of primary production?*

**Tourism operators**

Tourism operators can claim a refund for **each** eligible car purchased or leased in a financial year.

For LCT purposes, you are a tourism operator if **both** the following apply:

- you use the car solely for the purpose of carrying on a business, **and**
- the principal purpose of your business is carrying tourists for tourism activities.

Tourism activities must be both leisure activities and of a touring nature.

A leisure activity includes activities involving a visit by a tourist to a site that has one of the following:

- scenic beauty
- cultural interest
- environmental interest
- historical interest
- recreational interest.

Carrying tourists for tourism activities does not include transporting passengers by either:

- taxi or limousine for fares, or
- a hire-car service.

**Claiming the refund**

You must claim a refund within four years of becoming entitled to it.

You can claim a refund on the [Application for luxury car tax refund – primary producers and tourism operators \(/Forms/Luxury-car-tax-refund---for-primary-producers---tourism-operators/\)](#) form.

You can't claim these refunds on your BAS or from the Department of Immigration and Border Protection.

**Our commitment to you**

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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