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# FCAI response to:

2024–25 Pre-Budget  
submissions

January 2024

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The Federal Chamber of Automotive Industries (FCAI) welcomes the opportunity to provide a submission for the 2024–25 Budget. The FCAI is the peak representative organization for companies who distribute new passenger vehicles, light commercial vehicles and motorcycles and all-terrain vehicles in Australia.

With 68 brands offering 380 models, sold, and serviced by almost 4000 dealers, Australia’s automotive sector is a large employer and contributor to our economy, lifestyle and communities big and small.

In the 2024-25 Budget, the FCAI calls on the Federal Government to:

- **Increase investment in recharging infrastructure**
  - We urge the Federal Government to enhance investment in recharging infrastructure across Australia. Despite recent funding boosts, concerns about battery range, charging certainty and recharging wait times persist in the community.
- **Implement a nationally consistent Road-User Charge**
  - We encourage the Federal Government to consider a technology agnostic measure that ensures fairness for consumers and aligns with the evolving landscape of low-emission vehicles. The Road User Charge should be federally led, providing clarity and certainty for motorists across all states and territories.
- **Continue the Fringe Benefits Tax exemptions for electric vehicles**
  - We propose the continuation of the Fringe Benefits Tax for battery electric and plug in hybrid vehicles beyond 2026, providing stability and support to the automotive industry.
- **Remove the Luxury Car Tax**
  - We strongly recommend the removal of the inequitable Luxury Car Tax, aligning with our commitment to fair policies that empower consumers and encourage choice. This is an outdated tax on technology, safety and environmental performance.
- **Tariffs on light commercial vehicles**
  - We strongly recommend the removal of the five per cent tariff on light commercial vehicles as part of a future European Union free trade agreement.

The FCAI calls on the Federal Government to seize the opportunity in the 2024–25 Budget to lay the foundations for a resilient and forward-thinking automotive industry.