Queensland Government

Contents	Page
What this ruling is about	1
Ruling and explanation	3
Date of effect	4
References	4

Public Ruling
Duties Act:

REASSESSMENT OF VEHICLE REGISTRATION DUTY—NON–COMPLYING USE BY PRIMARY PRODUCER

A public ruling, when issued, is the published view of the Commissioner of State Revenue (the Commissioner) on the particular topic to which it relates. It therefore replaces and overrides any existing private rulings, memoranda, manuals and advice provided by the Commissioner in respect of the issue(s) it addresses. Where a change in legislation or case law (the law) affects the content of a public ruling, the change in the law overrides the public ruling—that is, the Commissioner will determine the tax liability or eligibility for a concession, grant or exemption, as the case may be, in accordance with the law.

What this ruling is about

1. The purpose of this public ruling is to outline the relief available to primary producers from reassessment under s.394 of the *Duties Act 2001* (Duties Act) where they take advantage of the commercial use upgrade policy of the Department of Transport and Main Roads (TMR).

2. Chapter 9 of the Duties Act imposes vehicle registration duty on:

   (a) an application to register a vehicle

   (b) an application to transfer a vehicle if the person in whose name the vehicle is to be registered differs from the person in whose name the vehicle is registered.[1]

3. Vehicle registration duty is imposed on the dutiable value of the vehicle.[2]

4. Section 390(1)(i) of the Duties Act provides an exemption (the primary production exemption) from vehicle registration duty for an application to register a vehicle in the name of, or an application to transfer a vehicle to, a primary producer[3] if:

   (a) the vehicle is a vehicle with a gross vehicle mass (GVM) under the *Transport Operations (Road Use Management) Act 1995* (Transport Operations Act) of more than 6 t

   and

1 Section 377(1) of the Duties Act
2 Section 377(2) of the Duties Act
3 Defined in the Dictionary in Schedule 6 of the Duties Act as a person who, under the Transport Operations Act, is entitled to concessional registration for a primary production vehicle under that Act.

(b) the primary producer lodges a statutory declaration stating that the primary producer intends to use the vehicle solely in a business of primary production.

5. In this public ruling, a vehicle that is exempt from vehicle registration duty under the primary production exemption is referred to as an exempt vehicle.

6. If within 5 years after the application to register or transfer an exempt vehicle, the primary producer starts using the vehicle other than in the business of primary production—or sells or otherwise transfers the vehicle—the primary producer must, within 28 days, give notice in the approved form to the Commissioner.[4] A reassessment will then be made to impose vehicle registration duty as if the primary production exemption had never applied.[5]

Transport Operations (Road Use Management—Vehicle Registration) Regulation 2021

7. Section 233 of the Transport Operations (Road Use Management—Vehicle Registration) Regulation 2021 (Vehicle Registration Regulation) relevantly provides that a concessional registration fee may be granted for the registration of a heavy primary production vehicle.

8. A 'heavy primary production vehicle' means a 'prescribed heavy vehicle' that is:

(a) owned by a primary producer

and

(b) used only for carrying on the primary producer's business as a primary producer.[6]

9. A 'prescribed heavy vehicle' means:

(a) a prime mover or truck with a GVM of at least 6 t

or

(b) a trailer with a mass rating for charging (MRC) of more than 4.5 t.

10. A primary producer who is granted concessional registration for a heavy primary production vehicle must not use, or permit to be used, the vehicle for a purpose other than:

(a) for carrying on the primary production business of the primary producer

or

(b) as permitted under s.191.[7]

11. If the primary producer intends to use the vehicle for a purpose other than as specified in paragraph 10, the primary producer must advise TMR.[8]

12. On receipt of such advice by TMR, the registration fee payable for the vehicle's registration may be reassessed, without the concession, for the term from when the primary producer

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4 Section 394(2) of the Duties Act
5 Section 394(3) of the Duties Act
6 Defined in Dictionary–Schedule 8 of the Vehicle Registration Regulation
7 Section 241(1) of the Vehicle Registration Regulation
8 Section 243 of the Vehicle Registration Regulation

stopped being eligible for the concession, or the end of the day the notice or advice was received by TMR to the end of the vehicle's current registration term.[9]

TMR's commercial use upgrade policy for primary producers

13. TMR administers a commercial use upgrade policy for primary producers. The policy allows primary producers to upgrade the registration fee payable on a primary production vehicle for a period of 3 months in order to produce commercial income in times where their primary production income is suffering a downturn.

14. In these cases, TMR allows the primary producer to pay full registration for that period of 3 months, and the primary producer may then use the vehicle for a commercial purpose.

15. The conditions of the policy are:

    (a) at least 3 months from initial registration or transfer of the primary production vehicle must have elapsed before a commercial use upgrade is allowed

    and

    (b) only one quarterly commercial use upgrade within any 12-month period is allowed.

16. After the quarterly period has expired, the registration automatically reverts to the concessional registration.

17. If a second quarter is requested, the concessional registration is removed, and a pro-rata registration fee is paid. The vehicle may then be used for a commercial purpose.

Implications of commercial use policy under the Duties Act

18. The use of an exempt vehicle other than in the business of primary production (i.e. for a commercial purpose) would trigger a reassessment under s.394 of the Duties Act.

Ruling and explanation

19. Where a primary producer is granted an upgraded registration for the 3-month period in line with TMR's commercial use upgrade policy for primary producers, the primary producer will not be disqualified from the primary production exemption for an exempt vehicle.

20. For the purposes of s.394 of the Duties Act, a primary producer will not be taken to have started using the exempt vehicle other than in the business of primary production if the vehicle is used for a commercial purpose and is within TMR's commercial use upgrade policy for primary producers. Therefore, the Commissioner will not make a reassessment under s.394(3) of the Duties Act.

21. As a commercial use upgrade is only available for one 3-month period during any 12-month period, any further commercial use upgrades will trigger the reassessment provisions of s.394 of the Duties Act and a reassessment of vehicle registration duty will issue as if the primary production exemption had never applied.

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[9] Section 245 of the Vehicle Registration Regulation

22. Because a vehicle that is a primary production vehicle but not an exempt vehicle (a non-exempt vehicle) does not attract the benefit of the primary production exemption, no reassessment of vehicle registration duty under s.394 of the Duties Act will be required where the registration of a non-exempt vehicle is upgraded in line with TMR's commercial use upgrade policy for primary producers.

Date of effect

23. This public ruling takes effect from the date of issue.

Simon McKee
Commissioner of State Revenue
Date of issue: 22 October 2026

References

Public Ruling	Issued	Dates of effect	
		From	To
DA390.1.3	22 October 2026	22 October 2026	Current
DA390.1.2	4 February 2021	4 February 2021	21 October 2026
DA390.1.1	1 February 2010	1 February 2010	3 February 2021

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