



Senate Economics
Committee

19 AUG 2008

SENATOR THE HON KIM CARR

**MINISTER FOR INNOVATION, INDUSTRY,
SCIENCE AND RESEARCH**

15 AUG 2008

Senator Annette Hurley
Chair
Senate Standing Committee on Economics
Parliament House
CANBERRA ACT 2600

Dear Senator Hurley

I am writing to correct some evidence I gave during the Budget Estimates hearing on 3 June 2008.

It has been drawn to my attention that, during the hearing of the Standing Committee on Economics on 3 June 2008, in response to a question from Senator Abetz, I said (p. E8):

"You would be aware, Senator Abetz, that the luxury car tax applies only to vehicles that cost more than \$57,123, and the threshold has been adjusted annually in line with the CPI. The tax is payable only on the value of the car that exceeds that threshold."

The luxury car tax threshold is indexed annually in line with the motor vehicle purchase component of the consumer price index (CPI), rather than the broader CPI figure as my statement implied.

I apologise for the delay in providing this advice.

Yours sincerely

Kim Carr