



**Brighton  
Council**

**Media Release**

**21 March 2022**

## **Overwhelming Sector Support for Brighton Council's Low Emissions Vehicle Push**

BRIGHTON Council has been successful in gaining strong support from the Tasmanian local government sector to lobby the Federal Government to remove Fringe Benefits Tax (FBT) from fully electric vehicles.

At a Local Government of Tasmania (LGAT) General Meeting held in Launceston last week, Tasmanian Councils overwhelmingly voted in support of Brighton Council's motion that LGAT advocate to the Federal Government for this exemption. The exemption currently applies to heavy vehicles, creating a perverse incentive for fleet vehicles to be large inefficient utes rather than smaller efficient vehicles.

Brighton Council Mayor Leigh Gray explained, "In 2021, Brighton Council reviewed opportunities to switch to fully electric vehicles as part of endorsing an emission reduction target of 30% below Council's 2021 levels by 2030, on the pathway to zero emissions by 2040.

"FBT is the major, and indeed now the only, remaining cost barrier to this necessary transition. It wouldn't cost the Federal Government (the tax-payer) any more money. Fleet managers will still be buying the same number of vehicles with the same number of FBT exemptions supplied by government – there will simply be a higher percentage of electric or low emissions vehicles in the fleet."

Brighton Council's General Manager, James Dryburgh added, "If this exemption were applied to fully electric vehicles, it would instantly be cost effective for Council to transition to low emission electric vehicles, which could predominantly be charged using Council's roof top solar energy generation. This simple modernisation to FBT rules would enable a huge reduction in fleet emissions across the country, whilst enabling councils to keep their costs low for their communities. It would also play an important role in seeding an affordable second-hand market for the broader community."

LGAT President Mayor Christina Holmdahl said that the local government sector is working hard to reduce its impact on the climate but is being held back by the Federal Government's limited support for electric and zero emission vehicles.



“This important change will create a positive incentive for local government, and others, to make the switch to clean vehicles reducing the climate impact from transport,” mayor Holmdahl said. “With the next Federal Election imminent, the Local Government Association of Tasmania is calling on all parties and candidates to support action on mitigating climate risks to communities and support councils to make meaningful reductions to carbon emissions.”

Mayor Leigh Gray also pointed out that Brighton’s push is very much in line with community expectations and indeed the leadership shown by the Tasmanian Government. “Communities look to Council’s for leadership on issues such as climate change action and this emerged as a core priority for the Brighton community in our 2050 Vision consultation”, Mayor Gray said.

“There is a key role for government to demonstrate the importance of utilising emerging technologies and being future-focused to mitigate climate change impact. A good example of this is the leadership shown by the Tasmanian Government setting a 100% electric vehicle fleet by 2030 and changing the stamp duty policy for electric vehicles to facilitate this.”

Georgetown Council enthusiastically supported the motion, but successfully sought an amendment to include zero emissions hydrogen vehicles as well.

Brighton Council first brought this to the attention of the Southern Tasmanian Councils Authority (STCA) at the end of last year, seeking endorsement from the STCA to send an advocacy letter on behalf of the STCA to The Hon. Angus Taylor MP, Federal Minister for Industry, Energy and Emissions. This letter was sent to the Minister in December 2021.

The current Liberal Coalition Government recently reviewed the application of FBT to electric vehicles as part of the national Future Fuels and Vehicles Strategy and opted not to alter the existing FBT policy. The recently announced Labour Party policy is to exempt FBT for all electric cars below the luxury car threshold from July 2022, should they win the next election.

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