



Luxury car tax rate and thresholds

Luxury car tax (LCT) rate and thresholds.

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On this page

[Luxury car tax rate](#)

[Luxury car tax thresholds](#)

Luxury car tax rate


Cars with a luxury car tax (LCT) value over the LCT threshold attract an **LCT rate of 33%**. You only pay LCT on the amount that is over the threshold.

For the LCT rate **before 3 October 2008**, refer to *A New Tax System (Luxury Car Tax Imposition – General) Act 1999*.

Luxury car tax thresholds

The following table lists the LCT thresholds for the financial year the car was imported, acquired or sold.

If you import or sell a car with a GST-inclusive value above these LCT thresholds, you must pay LCT except in certain circumstances. In general, the LCT value of a car includes the value of any parts, accessories or attachments you supplied, or imported, at the same time as the car.

From 1 July 2025, as part of the [Treasury Laws Amendment \(Tax Incentives and Integrity\) Act 2025](#) , which amended *A New Tax System (Luxury Car Tax) Act 1999*:

- the definition of a fuel-efficient vehicle changed
- indexation rates applying to the thresholds for fuel-efficient vehicles and other vehicles was aligned.

LCT thresholds

Financial year	Fuel-efficient vehicles	Other vehicles
2025–26	\$91,387	\$80,567
2024–25	\$91,387	\$80,567
2023–24	\$89,332	\$76,950
2022–23	\$84,916	\$71,849
2021–22	\$79,659	\$69,152
2020–21	\$77,565	\$68,740
2019–20	\$75,526	\$67,525
2018–19	\$75,526	\$66,331
2017–18	\$75,526	\$65,094
2016–17	\$75,526	\$64,132
2015–16	\$75,375	\$63,184
2014–15	\$75,375	\$61,884
2013–14	\$75,375	\$60,316

2012–13	\$75,375	\$59,133
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The indexation factor for the 2025–26 financial year for:

- fuel-efficient vehicles is 0.997
- other vehicles is 0.997.

As the indexation factor for the 2025–26 financial year is less than 1, the LCT thresholds for fuel-efficient vehicles and other vehicles did not increase.

Find out what **defines a fuel-efficient car** prior to, and from, 1 July 2025.

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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.

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