



# Road User Charges (Temporary RUC Reduction Scheme) Amendment Act 2022

Public Act    2022 No 13  
Date of assent    11 April 2022  
Commencement    see section 2

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## The Parliament of New Zealand enacts as follows:

### 1 Title

This Act is the Road User Charges (Temporary RUC Reduction Scheme) Amendment Act 2022.

**2 Commencement**

This Act comes into force on the day after the date of Royal assent.

**3 Principal Act**

This Act amends the Road User Charges Act 2012.

**4 New sections 42A to 42G and cross-headings inserted**

After section 42, insert:

*Temporary reduction in rates of road user charges*

**42A Meaning of temporary reduction period**

- (1) In sections 42B to 42G, unless the context otherwise requires, **temporary reduction period** means the period—
- (a) beginning on 21 April 2022; and
  - (b) ending on—
    - (i) the date specified by an Order in Council made not later than 21 July 2022; or
    - (ii) if no order is made under subsection (2), 21 July 2022.
- (2) The Governor-General may, by Order in Council, shorten or extend the temporary reduction period to a date specified in the order.
- (3) An order under subsection (2) is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

**Legislation Act 2019 requirements for secondary legislation made under this section**

<b>Publication</b>	PCO must publish it on the legislation website and notify it in the <i>Gazette</i>	LA19 s 69(1)(c)
<b>Presentation</b>	The Minister must present it to the House of Representatives	LA19 s 114
<b>Disallowance</b>	It may be disallowed by the House of Representatives	LA19 ss 115, 116

*This note is not part of the Act.*

**42B Temporary reduction in rate of road user charges**

- (1) Subsection (2) applies to the purchase of a RUC licence in relation to applications received by the RUC collector during the temporary reduction period.
- (2) The RUC collector must apply the discounted rate.
- (3) In this section and sections 42C to 42F,—
- discounted rate** means—
- (a) a 36% discount applied to the normal rate; or
  - (b) a lower discount, as set by Order in Council under subsection (6), applied to the normal rate.

**normal rate** means the GST-inclusive rate—

- (a) applying immediately before the commencement of the temporary reduction period; and
  - (b) specified for the RUC licence—
    - (i) in the Road User Charges (Rates) Regulations 2015; or
    - (ii) by notice given under section 90A(2)
- (4) For the purpose of applying the discount to the normal rate, the amount calculated must be rounded up or down to the nearest dollar or cent as follows:
- (a) for distance licences,—
    - (i) an amount of less than 50 cents must be rounded down to the nearest dollar;
    - (ii) an amount of 50 cents or more must be rounded up to the nearest dollar;
  - (b) for additional licences,—
    - (i) an amount of less than 0.5 cents must be rounded down to the nearest cent;
    - (ii) an amount of 0.5 cents or more must be rounded up to the nearest cent.
- (5) The discounted rate must be treated as being calculated in accordance with regulations made under section 85.
- (6) If the temporary reduction period is extended by an Order in Council under section 42A(2), the Governor-General may, by Order in Council, reduce the discount specified in paragraph (a) of the definition of discounted rate set out in subsection (3).
- (7) An order under subsection (6) is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

**Legislation Act 2019 requirements for secondary legislation made under this section**

<b>Publication</b>	PCO must publish it on the legislation website and notify it in the <i>Gazette</i>	LA19 s 69(1)(c)
<b>Presentation</b>	The Minister must present it to the House of Representatives	LA19 s 114
<b>Disallowance</b>	It may be disallowed by the House of Representatives	LA19 ss 115, 116

*This note is not part of the Act.*

**42C Road user charges that apply after end of temporary reduction period**

The normal rate of road user charges applies to the purchase of a RUC licence in relation to applications received after the last day of the temporary reduction period.

*Assessments for unpaid road user charges***42D When assessments may be issued**

- (1) The RUC collector may issue an assessment for unpaid road user charges to the owner or operator of a RUC vehicle.
- (2) Subsection (1) applies if the collector forms the opinion that the owner or operator has, during the temporary reduction period, purchased RUC for that vehicle for distances that are excessive or unreasonable or are an abuse of the temporary reduction scheme.
- (3) In forming an opinion under subsection (2), the RUC collector may consider matters such as the following:
  - (a) the objective of the temporary reduction scheme, which is to provide a discount to the owner or operator of a RUC vehicle that is approximately equivalent to the discount on the excise and excise-equivalent duty on motor spirits provided for the owners and operators of vehicles that are not RUC vehicles under the Excise and Excise-equivalent Duties Table (Temporary Reduction of Motor Spirits Duty) Amendment Order 2022;
  - (b) whether, during the temporary reduction period, the owner or operator of a RUC vehicle has purchased RUC licences consistent with the guidance issued by the RUC collector as to what is considered to be reasonable, having regard to the type and use of the RUC vehicle and any other relevant circumstances;
  - (c) any other matter that the RUC collector considers relevant in the circumstances.
- (4) Part 3 (other than sections 53(4) and 55(6)) applies, as far as it is relevant, to the assessment and collection of unpaid road user charges by the RUC collector under this section.
- (5) In this section, **temporary reduction scheme** means the scheme for discounting road user charges—
  - (a) for the period specified in section 42A(1); and
  - (b) in accordance with the discounted rate prescribed in accordance with section 42B.

**42E How assessments are to be calculated**

For the purpose of section 42D(1), unpaid user charges must be calculated in accordance with the following formula:

$$(a - b) \times (c - d) = e$$

where—

a is the distance covered by RUC licences purchased at the discounted rate

- b is the distance covered by RUC licences that the RUC collector considers would have been reasonable to purchase for the RUC vehicle during the temporary reduction period
- c is the normal rate
- d is the discounted rate that applied at the date of purchase
- e is the amount of the assessment of unpaid road user charges.

#### **42F When certain RUC licences are no longer valid**

In the case of a RUC licence issued at the discounted rate for a heavy RUC vehicle, section 86(2) applies as if that provision applied to the increase from the discounted rate to the normal rate.

#### **42G Repeal**

- (1) Sections 42A to 42F, the cross-headings above sections 42A and 42D, and this section are repealed on the date that is 12 months after the end of the temporary reduction period.
- (2) Those repeals do not affect the completion of anything done or yet to be done under sections 42A to 42E.
- (3) Subsection (2) does not limit section 33 of the Legislation Act 2019.

#### **Legislative history**

4 April 2022	Introduction (Bill 116–1)
5 April 2022	First reading, second reading, committee of the whole House, third reading
11 April 2022	Royal assent

This Act is administered by the Ministry of Transport.