



Cabinet

Minute of Decision

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Road User Charges Amendment Regulations 2020

Portfolio **Transport**

On 28 April 2020, following reference from the Cabinet Business Committee, Cabinet:

- 1 **noted** that in June 2018, Cabinet agreed to a 3.5 cents per litre increase in petrol excise duty in 2018, 2019 and 2020, with an equivalent increase in road user charges (RUC) [CAB-18-MIN-0115];
- 2 **noted** that an increase in petrol excise duty from 1 July 2020 has already been legislated [LEG-19-MIN-0052];
- 3 **noted** that on 11 March 2020, the Cabinet Economic Development Committee [DEV-20-MIN-0031]:
 - 3.1 agreed that all rates of RUC be increased by 5.3 percent (subject to rounding), as set out in Appendix A to the paper under DEV-20-SUB-0031, with effect from 1 July 2020;
 - 3.2 agreed that the RUC rates currently set out in Parts 1 and 2 of the Specification of Road User Charges Notice 2019 issued by Waka Kotahi New Zealand Transport Agency be incorporated into the principal regulations (the Road User Charges (Rates) Regulations 2015);
 - 3.3 agreed that the rate in Schedule 5 of the Road User Charges (Rates) Regulations 2015, for each additional 1,000kg more than 20,000 kg on a Type 1 (two-axle single tyre) vehicle, be corrected to the rate that would have applied had the 2018 rate been increased by 5.55 percent, and the 5.3 percent increase proposed for 2020 be applied, both with effect from 1 July 2020;
- 4 **noted** that to give effect to the decision referred to in paragraph 3.2 above, an amendment to the Road User Charges Regulations 2012 is required;
- 5 **agreed** to amend the Road User Charges Regulations 2012 to include the RUC vehicle types and RUC vehicle weight bands currently set out in Parts 1 and 2 of the Specification of Road User Charges Notice 2019, including any consequential amendments;
- 6 **noted** that the Road User Charges (Rates) Amendment Regulations 2020 and the Road User Charges Amendment Regulations 2020 will give effect to the decisions referred to in paragraph 3 above;

7 **authorised** the submission to the Executive Council of the:

7.1 Road User Charges (Rates) Amendment Regulations 2020 [PCO 22815/8.0];

7.2 Road User Charges Amendment Regulations 2020 [PCO 22865/7.0];

8 **noted** that the Road User Charges (Rates) Amendment Regulations 2020 and the Road User Charges Amendment Regulations 2020 come into force on 1 July 2020, the same date as the already-legislated increase to petrol excise duty.

Michael Webster
Secretary of the Cabinet