



Luxury car tax rate and thresholds

Luxury car tax (LCT) rate and thresholds.

Last updated 1 June 2026

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
2026-27	\$91,661	\$80,809
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

The indexation factor for the 2026-27 financial year is 1.003.

Find out what defines a fuel-efficient car.

QC 38161

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

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.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

Copyright notice

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).