

EXAMPLE OF TIERED ARF COMPUTATION

The ARF payable under the existing and revised ARF tax structures (before utilisation of rebates from Revised Off-Peak Car, Vehicular Emissions Scheme, or Electric Vehicle Early Adoption Incentive, etc. if applicable) for a car with an OMV of \$100,000 is computed as follows:

Existing ARF Tax Structure:

Vehicle OMV	ARF Rate	ARF Payable
First \$20,000	100% of OMV	100% x \$20,000 = \$20,000
Next \$30,000 (i.e. \$20,001 to \$50,000)	140% of OMV	140% x \$30,000 = \$42,000
Next \$30,000 (i.e. \$50,001 to \$80,000)	180% of OMV	180% x \$30,000 = \$54,000
Above \$80,000 (i.e. \$80,001 and above)	220% of OMV	220% x \$20,000 = \$44,000

Total ARF payable is \$20,000 + \$42,000 + \$54,000 + \$44,000 = \$160,000

Revised ARF Tax Structure:

Vehicle OMV	ARF Rate	ARF Payable
First \$20,000	100% of OMV	100% x \$20,000 = \$20,000
Next \$20,000 of OMV (i.e. \$20,001 to \$40,000)	140% of OMV	140% x \$20,000 = \$28,000
Next \$20,000 of OMV (i.e. \$40,001 to \$60,000)	190% of OMV	190% x \$20,000 = \$38,000
Next \$20,000 of OMV (i.e. \$60,001 to \$80,000)	250% of OMV	250% x \$20,000 = \$50,000
Above \$80,000 (i.e. \$80,001 and above)	320% of OMV	320% x \$20,000 = \$64,000

Total ARF payable is \$20,000 + \$28,000 + \$38,000 + \$50,000 + \$64,000 = \$200,000