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# Frequently asked questions

## 2015 ACC motor vehicle levy reduction and introduction of vehicle risk ratings

### What's changing?

On 1 July 2015 ACC are introducing "vehicle risk ratings" a new approach that will be used by ACC to calculate ACC motor vehicle levies

Each year light passenger vehicles will be assigned to a band between 1 (most injury risk) and 4 (least injury risk).

This change will result in the ACC levy portion of your rego going down by \$40-\$170 depending on your vehicle.

### Who do I contact if there is a problem with the risk rating of my vehicle?

ACC manage vehicle risk ratings, so should be your first point of contact if you have any questions or a problem with the risk rating of your vehicle. They can be contacted on 0800 222 776.

### What is the risk rating of my vehicle? Where can I find out what the levy for my car will be?

To find out what band applies to your vehicle you can either:

- [Download the booklet that ACC](#) have developed in which you can look up your make, model and year
- Go to [www.rightcar.govt.nz](http://www.rightcar.govt.nz) and enter your car plate number

### What are the new motor vehicle levy rates?

#### PETROL DRIVEN VEHICLES - MOTOR VEHICLE LEVIES FOR RISK RATED PASSENGER VEHICLES (EX GST)

	2014/15 levy	2015/16 levy	\$ decrease	% decrease
Band 1	\$198.65	\$158.46	\$40.19	20%
Band 2	\$198.65	\$123.46	\$75.19	38%
Band 3	\$198.65	\$103.46	\$95.19	48%
Band 4	\$198.65	\$68.46	\$130.19	66%

**NON-PETROL DRIVEN VEHICLES - MOTOR VEHICLE LEVIES FOR RISK RATED PASSENGER VEHICLES (EX GST)**

	2014/15 levy	2015/16 levy	\$ decrease	% decrease
Band 1	\$321.59	\$241.13	\$80.46	25%
Band 2	\$321.59	\$206.13	\$115.46	36%
Band 3	\$321.59	\$186.13	\$135.46	42%
Band 4	\$321.59	\$151.13	\$170.46	53%

Note that these costs are the ACC motor vehicle levy component of vehicle licensing.

### What vehicles will be risk rated?

All light passenger vehicles including cars, passenger vans and SUVs that are:

- classed as passenger vehicles by NZTA
- lighter than 3,500KG
- less than 40 years old

Older vehicles (with a vehicle year before December 2011) will be risk rated on real crash data. Newer vehicles (with a vehicle year after December 2011) or rare/uncommon vehicles will be risk rated using NCAP ratings (i.e, laboratory-based test results)

All other vehicle classes (for example, motorcycles, vintage/veteran cars, goods service vehicles and trucks) are not risk rated, and will be charged as per their class (see Section D for list of all rates).

Vehicle risk ratings are based on real crash data how well a vehicle protects its occupants and other road users (e.g walkers or cyclists) from serious injury in a crash.

### How many vehicles in New Zealand will be risk rated?

2.6 million light passenger vehicles are eligible for risk rating.

### Why are risk ratings being introduced for cars?

Risk ratings help ensure the levies paid by owners more closely reflect the safety of their vehicles. They will improve how the levy system reflects actual risk and the cost of injuries.

### What about vintage and veteran cars?

Risk ratings do not apply to vintage/veteran vehicle classes, but they still get the overall ACC levy reduction.

Non-petrol vintage/veteran class are going from a licensing levy of \$113.43 for 2014/15 to \$65.87 for 2015/16. The petrol driven vintage/veteran class are going from a licensing levy of \$69.53 for 2014/15 to \$37.42.

### What's the difference between a vehicle risk rating and an ANCAP star rating?

It is important to note that vehicle risk rating is an injury risk rating mechanism for setting levies and not a safety rating.

The ANCAP safety rating is based on laboratory tests which are set during the year the vehicle is released to the market. In most cases these ANCAP ratings are not changed to take into account new ANCAP safety rating criteria.

ACC's risk rating is based on real crash data which takes into account how well a vehicle protects occupants and other road users; this is called the total secondary safety index (TSSI). The crash data used is based on 5.5 million police reported road crashes across Australia and New Zealand.

### Do vehicle risk ratings penalise people with older cars?

No. Vehicle risk ratings are not based on the age or value of a vehicle, but on how their design and manufacture influences the injury outcomes when that vehicle is involved in an accident.

However, new vehicles have benefited from advances in safety engineering and safety systems. [ACC's Light Passenger Vehicle Rates book](#) (available from [www.acc.govt.nz/motorvehicle](http://www.acc.govt.nz/motorvehicle)) summarises models of varying ages and price ranges which sit in the less risky bands of 3 and 4.

### What do I do if I don't agree with my vehicle's risk rating

The 'vehicle year' is a key part of the process for determining a vehicle's risk rating band. This date is taken from the NZ Transport Agency Motor Vehicle Register.

If you believe that your vehicle details on the Motor Vehicle Register are incorrect then please contact the Transport Agency on 0800 108 809 or [info@nzta.govt.nz](mailto:info@nzta.govt.nz) about making corrections to that information.

### Why can't I find my vehicle in the [Light Passenger Vehicle Rates book](#)?

In some cases vehicle names will have been changed by the vehicle manufacturer.

In some cases vehicles have variant names, such as the Nissan Bluebird and the Nissan Sylphy and the risk rating bands are allocated to both a Nissan Bluebird and a Nissan Sylphy. If a vehicle owner believes they belong to the band other than the one they have been allocated then the vehicle owner needs to contact NZTA and correct the registration details.

Note: ACC will not be able to amend the band allocation of individual vehicles until the following year.

### Why do some vehicles which have a high ANCAP rating and a low ACC risk rating band (or vice versa)

ACC's risk rating bands take into account injuries to all parties, not just to those in the vehicle. They are reviewed and adjusted each year to reflect the latest vehicle crash data.

The ANCAP rating is generally set the year the vehicle was laboratory tested and does not change as the car ages. So your car may have a 5-star ANCAP rating, but it may have been assigned 8 or 10 years ago.

## Vehicle licensing general

### What will my rego/vehicle licence cost?

Information on the total cost of renewing your rego/vehicle licence is available on

### I need to renew my vehicle licence before 1 July 2015, what should I do?

Option 1: renew online at [www.nzta.govt.nz/online](http://www.nzta.govt.nz/online) for three months or more. It's quick, easy and saves a trip to an agent.

Option 2: to renew for less than three months, you'll need to visit an NZTA agent and complete an MR27 form.

### I've already renewed my vehicle licence beyond 1 July 2015, can I get a refund?

No, ACC does not offer refunds. When you renew your vehicle licence you pay the ACC levy on the date the existing licence expires - for the full length of the renewal. That means that regardless of whether ACC levies go up or down during that time your levy rate remains the same until your next renewal.

This is good news when levies are increasing, as you don't have to pay the increased amount until your vehicle licence expires after the increase. The flip side is that when ACC levies reduce, there might be a period of your renewal during which you are paying more than the reduced levy.

### If my current vehicle licence expires before 1 July 2015, but I pay for a new licence after 1 July 2015, will I pay the reduced levy rate?

No. Because most vehicles have to be licensed continuously (i.e. if you license your vehicle after the current licence has expired, you have to pay any backdated fees), the fee you will be charged is dependent on the expiry date of the current vehicle licence, not the date it is renewed.

## The ACC motor vehicle levy

### What is the motor vehicle levy?

This levy covers claims for all injuries involving moving motor vehicles on public roads. It has two parts:

- the current levy portion that funds the costs of motor vehicle injuries that are expected to occur during the current year
- the residual levy portion, which covers injuries to road users prior to 1 July 1999. The residual portion of this levy will no longer be charged from 30 June 2019.

### Are levies being reduced for all vehicles? Will motorcycle levies be reduced as well?

ACC levies will not be reduced for motorcycles or mopeds in 2015. This is because motorcycle-related injuries continue to generate disproportionately high costs for ACC and motorcycle levies are already heavily subsidised by owners of other types of vehicles.

Motorcyclists will benefit from the reduction in the petrol levy.

### How regularly are ACC levies reviewed?

ACC review their levies every year, with levies coming into effect on 1 July each year.

### Where can I find more information about ACC levies?

For more information on ACC levies and the consultation process visit ACCs website: <http://www.acc.co.nz/for-individuals/other-motorists/index.htm>

## What does the ACC levy pay for?

The ACC levy component of vehicle licensing helps pay for the costs associated with injuries that happen on the road.

## Why do diesel vehicles pay more in vehicle licensing fees than petrol vehicles?

- petrol vehicles are charged part of the motor vehicle levy with their vehicle licence fee and part in the price of petrol
- diesel vehicles are charged the entire motor vehicle levy in their vehicle licence fee as there is no levy included in the price of diesel because diesel is not only used for vehicles.

The rates for diesel vehicles are set so, on average, they pay a similar amount in levies to equivalent petrol vehicles.

## Background on vehicle licensing

### What is vehicle licensing?

The vehicle licensing system (commonly known as “rego”) is the regular process through which you pay a fee to use your vehicle on public roads.

The fee helps to pay for roading projects and road safety programmes. You have to license your vehicle regularly – at least annually – and you must display a current licence label on your windscreen.

### How much does a vehicle licence currently cost?

A summary of the current vehicle licensing fees is available on the Transport Agency website at <http://www.nzta.govt.nz/vehicle/registration-licensing/fees.html>.

### What’s the difference between licensing and registration?

Registration is generally a one-off process that identifies you as the person legally responsible for your vehicle. Licensing is the regular process through which you pay to use your vehicle on public roads.

### What does vehicle licensing fee pay for?

The National Land Transport Fund component of the fee helps to pay for roading projects and road safety programmes.

The ACC levy component goes into the ACC Motor Vehicle Account, which funds ACC cover for all people injured as a result of accidents involving motor vehicles on New Zealand’s public roads.