MINO-0461 ACC Motor Vehicle Levy

2 September 2022

An update on the error resulting in motorists being charged an incorrect Accident Compensation Corporation (ACC) levy.

Waka Kotahi NZ Transport Agency's response:

The motor vehicle licence renewal fee consists of several components, including a legislated licence fee (which is paid to Waka Kotahi) and an ACC motor vehicle levy, which is collected by Waka Kotahi on behalf of ACC.

The overcharging occurred as a consequence of changes made to the ACC Motor Vehicle Levy rates that came into effect on 1 July 2022. Unfortunately, the new rates were not updated in the ACC levy tables held within the Motor Vehicle Register (MVR). The information held within these tables is used to calculate a vehicle's licence fee when sending renewal reminder notices to the registered person.

As licence reminders are sent up to six weeks in advance of the licence renewal date, during the six week period prior to the new rates coming into effect, the notices were sent to customers using the old ACC levy rates.

The last ACC levy update was in 2018. Due to organisational changes across both Waka Kotahi and ACC since 2018, information about the levy changes was not communicated to the correct Waka Kotahi team in a timely manner. This created a delay in updating the ACC Motor Vehicle Levy rate tables within the MVR. As a result, 55,865 customers overpaid the ACC levy.

With the aim of maintaining the integrity of the levy collection system and process, a decision was made in consultation with ACC to front-foot the error and communicate with those customers who were overcharged. Letters have been sent to affected registered persons; advising them of the situation, how much was overcharged and the process that could be used to request a refund.

Procedures are being updated to prevent a reoccurrence of this issue in future.

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