

Change of Vehicle Ownership

Change of vehicle ownership applies when individuals and companies sell a vehicle to a new owner.

CHANGE OF OWNERSHIP FEE

Change of ownership fee = Selling price x 7%

However, a fee of VT 2,500 shall only apply for the following reasons:

- Change of ownership from any form of financial institution such as a bank or credit company to an individual due to completion of his/her loan.
- Vehicle was freely given to an individual provided a letter of confirmation from the previous owner.

If the vehicle is registered under more than one individual (for example, husband and wife), then both signatures are required under the signature of vendor.

N.B. Both registered owners are required to come down to the office to sign the change of ownership form with an officer present.

If the vehicle is registered under any company, then an official company stamp is required for certification.

The person purchasing the vehicle is liable to pay for the change of ownership fee and not the person selling it.

All change of ownership **MUST** be made within 7 days after the date of sale.

CHANGE OF VEHICLE OWNERSHIP OF EXEMPTED VEHICLES

There are certain vehicles that are exempted and can be transferred, but with extra costs if the vehicle is sold before the expiry date of the exemption.

a) CD Registration numbers

This registration is normally given to diplomats of international organizations.

Diplomatic staffs that are given this privilege are duty, registration, and road tax free for a 5-year period.

If the vehicle happens to be sold before the 5-year period ends to any new owner without any diplomatic status, then the registered owner is required to pay for the outstanding duty and Value Added Tax (VAT) before any transfer can be made.

The change of ownership fee = $7\% \times \text{Purchase price} + \text{New Registration Book Fee (VT 2,500)}$

If the vehicle happens to be transferred to another diplomat, the change of ownership fee shall be VT 2, 500.

b) 3VE Registration numbers

This category consists of students; or expatriates importing vehicles in the country for personal use.

Duty exempted for 5 years.

After the 5 years have lapsed, the registered owner has to surrender the vehicle registration book, whereby a new registration number will be given.

New registration book fee = VT 2, 500.

If the registered owner decides to sell the vehicle before 5 years, then the registered vehicle owner is liable to pay for the outstanding duty and VAT, before the vehicle can be transferred to a new owner with a new registration number.

Fee for the new owner = Change of ownership fee + New Registration book fee
= $(7\% \times \text{Purchase Price}) + \text{VT 2, 500}$.

1VE Registration numbers

This includes duty exemptions given to technical experts provided by Foreign States or International organizations for their personal use.

These technical experts are for government departments.

Vehicles under this category are duty exempted for 5 years and if sold before the 5 year period is up, then the same rule applies, where the registered owner has to pay for the remaining duty and VAT before a transfer can be made.

Fee for the new owner = Change of ownership fee + New Registration book fee
= $(7\% \times \text{Purchase Price}) + \text{VT 2, 500}$.

After the expiry date, all registered owners must surrender the exempted registration number to Rates and Taxes whereby the vehicle has to be given a new registration number.

New registration book fee = VT 2, 500.

c) 4VE Registration numbers

Vehicles under this category can either be donated free of charge to Non-Government Organizations (NGOs); or imported on behalf of the Vanuatu Government for aid and disaster relief projects.

Duty exempted for 5 years and if sold before the expiry date, then the same rule applies, where the registered owner has to pay for the remaining duty and VAT before a transfer can be made.

Fee for the new owner = Change of ownership fee + New Registration
book fee
= (7% x Purchase Price) + VT 2, 500.

If not sold after 5 years, the plate number has to be surrendered to Rates and Taxes whereby the vehicle has to be given a new registration number.

New registration book fee = VT 2, 500.

Vehicle transfer payments will only be accepted BEFORE 3pm during office opening hours because the receipt number has to be recorded on the vehicle registration book.