

Frequently Asked Questions

Government VIP Vehicle Disposal – 50th Celebration

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Ministry of Finance and Economic Management



Frequently Asked Questions

Listing posted herein are details of any questions asked about the cars and the tender process for the above vehicles. They are posted in the order received with the latest at the top, and no details of the person asking are given:

20 July 2015: If a VAT Registered company is the successful tenderer – please can you confirm that they will be able to claim the VAT portion of the price?

I received the following from Phil Eyre at RMD this morning

“Yes they would be entitled to a credit. The Ministry should issue tax invoices for the sale of the vehicles and therein should be the VAT component on which they can make a claim.”

14 July 2015: How much do I need to pay to get one of these vehicles? What is the Reserve Price?

I have been authorised to publish the reserve price on these vehicles but due to it being a tender process this doesn't necessarily guarantee you will win a tender. The reserve is the lowest price that will be accepted and this would only be if there were no other tenders with a higher price offer.

Reserve Prices are:

- *Elantra 1.8 Petrol Auto Elite \$32,100*
- *Sonata 2.4 Petro Auto Elite From \$40,700*
- *IX35 SUV 2.0 2WD Petrol Auto Standard From \$30,200*
- *IX35 SUV 2.0 2WD Petrol Auto Elite From \$36,200*

You will note that these reserves represent about a 20% discount on the NZ Recommended Retail price.

14 July 2015: Is there a warrantee with these vehicles?

Hyundai NZ have offered a 3 year 100,000km warrantee on the vehicles in conjunction with Pickering Motors. Please see the letter posted on the Tender web site

14 July 2015: I'm interested in the ix35. What's the difference between the standard and the Elite?

The Elite model comes with more features than the standard model. For the ix35 this means:

- *A more advanced fuel injection system (multi point v electronic)*
- *Bigger wheels (18" compared to 17")*
- *Electric folding side mirrors*
- *Chrome finish on door handles*
- *Indicator lights in side mirrors*
- *Leather seats compared to cloth*
- *Driver seat electric sliding, reclining and height adjustable, including 10-way seat adjustment*
- *Driver electric lumbar support*
- *Privacy glass*
- *Supervision cluster*
- *Automatic dusk sensing headlights*
- *Electro chromatic rear-view mirror (ECM)*
- *Flex steer - comfort, normal, sport settings with steering wheel mounted controls*
- *Front seat warmers*
- *Proximity key and engine start / stop button*

You will need to do your own research if you want to know more about the features. The above was taken from the Hyundai NZ web site

8 July 2015: I'm with a Government Department and our car is old. Can I tender or buy one of these cars for our department?

The vehicles are available for public tender, and is not seen as a way for Government to purchase cars or fast track the purchase of cars. The Cook Islands Government has a process for approving and procuring Government Vehicles and Ministries wishing to replace or purchase cars would be expected to follow this process.

7 July 2015: What year are they and what mileage do they have

The vehicles are new (2015 model) and purchased directly from Hyundai NZ. They will have mileage but only from their use during the celebrations.

7 July 2015: When will they be available for viewing?

The vehicles are scheduled to arrive on 18 July aboard the Liloa V039N. Once they have been cleared they will be cleaned and registered for use here and stored either under the ministry of Justice building or on the grounds of the Office of the PM.

4 July 2015: I live in Aitutaki. Does this mean I won't be able to get the vehicle until the end of October.

I am told that it is unlikely that all vehicles will be required for the October forum. At this point we do not have details of the number or type of cars needed so we have had to specify that all vehicles will be required in October. As soon as I have more information I will post it.

3 July 2015: How have these cars been paid for?

An order in Executive Council authorised additional expenditure of \$600,000 through the MFEM capital development fund in 2014/15 to accommodate the purchase of these vehicles

1 July 2015: How much do I need to pay to get one of these vehicles

Answer: We are unable to give an answer to this question given that this is an open tender but all cars do have a reserve price. Information on retail prices of these cars can be found on the Hyundai NZ web site as follows.

By way of guidance you can refer to the following publicly available information:

1. *Current NZ retail prices off the web site are as follows:*
 - *Elantra 1.8 Petrol Auto Elite From \$39,990*
 - *Sonata 2.4 Petro Auto Elite From \$49,990*
 - *IX35 SUV 2.0 2WD Petrol Auto Standard From \$39,990*
 - *IX35 SUV 2.0 2WD Petrol Auto Elite From \$43,990*

2. *The Cook Island News reported recently that the Government purchased 20 vehicles for \$600,000 which would suggest an average price of \$30,000 per vehicle. There are no special allowances or exemptions from taxes or charges given for the vehicles. You can see from the recommended retail prices above there is a range of values on these cars so it follows that the Government would have paid below \$30,000 for the Elantras and the i35 Standard*

and above \$30,000 for the Sonatas and the i35 Elite.

- 3. The Government's stated purpose in this exercise is to make up for a shortfall in available rental vehicles. It is not to make a profit but for the use of the cars during the celebration to cost as little as possible.*
- 4. There is recognition that these cars as sold as new and in as is where is condition.*

