



# Finance Act 2015

## 2015 CHAPTER 11

### PART 1

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER 2

#### INCOME TAX: GENERAL

#### **10 Zero-emission vans**

- (1) ITEPA 2003 is amended as follows.
- (2) In section 155 (cash equivalent of the benefit of a van), for subsections (1) and (2) substitute—
  - “(1) The cash equivalent of the benefit of a van for a tax year is calculated as follows.
    - (1A) If the restricted private use condition is met in relation to the van for the tax year, the cash equivalent is nil.
    - (1B) If that condition is not met in relation to the van for the tax year—
      - (a) if the van cannot in any circumstances emit CO<sub>2</sub> by being driven and the tax year is any of the tax years 2015-16 to 2019-20, the cash equivalent is the appropriate percentage of £3,150, and
      - (b) in any other case, the cash equivalent is £3,150.
    - (1C) The appropriate percentage for the purposes of subsection (1B)(a) is—
      - (a) 20% for the tax year 2015-16,
      - (b) 40% for the tax year 2016-17,
      - (c) 60% for the tax year 2017-18,
      - (d) 80% for the tax year 2018-19, and
      - (e) 90% for the tax year 2019-20.”

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***Changes to legislation:*** *There are currently no known outstanding effects for the Finance Act 2015, Section 10. (See end of Document for details)*

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- (3) In section 156(1) (reduction for periods when van unavailable), for “155(1)” substitute “ 155 ”.
- (4) In section 158(1) (reduction for payments for private use), for “155(1)” substitute “ 155 ”.
- (5) In section 160(1)(c) (benefit of fuel treated as earnings), for “section 155(1)(b)” substitute “ section 155(1B)(b) ”.
- (6) In section 170 (orders etc relating to Chapter 6 of Part 3), for subsection (1A) substitute—
  - “(1A) The Treasury may by order substitute a different amount for the amount for the time being specified in—
    - (a) section 155(1A) (cash equivalent where van subject only to restricted private use by employee),
    - (b) section 155(1B)(a) (cash equivalent for zero-emission van), and
    - (c) section 155(1B)(b) (cash equivalent in other cases).”
- (7) Article 3 of the Van Benefit and Car and Van Fuel Benefit Order 2014 (S.I. 2014/2896) is revoked.
- (8) The amendments made by this section have effect for the tax year 2015-16 and subsequent tax years.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2015, Section 10.