



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 3

EMPLOYMENT INCOME: EARNINGS AND BENEFITS ETC. TREATED AS EARNINGS

CHAPTER 6

TAXABLE BENEFITS: CARS, VANS AND RELATED BENEFITS

General

114 Cars, vans and related benefits

- (1) This Chapter applies to a car or a van in relation to a particular tax year if in that year the car or van—
 - (a) is made available (without any transfer of the property in it) to an employee or a member of the employee's family or household,
 - (b) is so made available by reason of the employment (see section 117), and
 - (c) is available for the employee's or member's private use (see section 118).
- (2) Where this Chapter applies to a car or van—
 - (a) sections 120 to 148 provide for the cash equivalent of the benefit of the car to be treated as earnings,
 - (b) sections 149 to 153 provide for the cash equivalent of the benefit of any fuel provided for the car to be treated as earnings, and
 - (c) sections 154 to 166 provide for the cash equivalent of the benefit of the van to be treated as earnings.

Status: Point in time view as at 10/07/2003.

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- (3) This Chapter does not apply if an amount constitutes earnings from the employment in respect of the benefit of the car or van by virtue of any other provision (see section 119).
- (4) The following provisions of this Chapter provide for further exceptions—
 section 167 (pooled cars);
 section 168 (pooled vans);
 section 169 (car available to more than one member of family or household employed by same employer).

115 Meaning of “car” and “van”

- (1) In this Chapter—
 “car” means a mechanically propelled road vehicle which is not—
 (a) a goods vehicle,
 (b) a motor cycle,
 (c) an invalid carriage, or
 (d) a vehicle of a type not commonly used as a private vehicle and unsuitable to be so used;
 “van” means a mechanically propelled road vehicle which—
 (a) is a goods vehicle, and
 (b) has a design weight not exceeding 3,500 kilograms,
 and which is not a motor cycle.
- (2) For the purposes of subsection (1)—
 “design weight” means the weight which a vehicle is designed or adapted not to exceed when in normal use and travelling on a road laden;
 “goods vehicle” means a vehicle of a construction primarily suited for the conveyance of goods or burden of any description;
 “invalid carriage” has the meaning given by section 185(1) of the Road Traffic Act 1988 (c. 52);
 “motor cycle” has the meaning given by section 185(1) of the Road Traffic Act 1988.

116 Meaning of when car or van is available to employee

- (1) For the purposes of this Chapter a car or van is available to an employee at a particular time if it is then made available, by reason of the employment and without any transfer of the property in it, to the employee or a member of the employee’s family or household.
- (2) References in this Chapter to—
 (a) the time when a car is first made available to an employee are to the earliest time when the car is made available as mentioned in subsection (1), and
 (b) the last day in a year on which a car is available to an employee are to the last day in the year on which the car is made available as mentioned in subsection (1).
- (3) This section does not apply to section 138 (automatic car for a disabled employee).

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117 Meaning of car or van made available by reason of employment

For the purposes of this Chapter a car or van made available by an employer to an employee or a member of the employee's family or household is to be regarded as made available by reason of the employment unless—

- (a) the employer is an individual, and
- (b) it is so made available in the normal course of the employer's domestic, family or personal relationships.

118 Availability for private use

(1) For the purposes of this Chapter a car or van made available in a tax year to an employee or a member of the employee's family or household is to be treated as available for the employee's or member's private use unless in that year—

- (a) the terms on which it is made available prohibit such use, and
- (b) it is not so used.

(2) In this Chapter "private use", in relation to a car or van made available to an employee or a member of the employee's family or household, means any use other than for the employee's business travel (see section 171(1)).

119 Where alternative to benefit of car offered

(1) This section applies where in a tax year—

- (a) a car is made available as mentioned in section 114(1), and
- (b) an alternative to the benefit of the car is offered.

(2) The mere fact that the alternative is offered does not result in an amount in respect of the benefit constituting earnings by virtue of Chapter 1 of this Part (earnings).

Cars: benefit treated as earnings

120 Benefit of car treated as earnings

(1) If this Chapter applies to a car in relation to a particular tax year, the cash equivalent of the benefit of the car is to be treated as earnings from the employment for that year.

(2) In such a case the employee is referred to in this Chapter as being chargeable to tax in respect of the car in that year.

121 Method of calculating the cash equivalent of the benefit of a car

(1) The cash equivalent of the benefit of a car for a tax year is calculated as follows—

Step 1

Find the price of the car in accordance with sections 122 to 124.

Step 2

Add the price of any accessories which fall to be taken into account in accordance with sections 125 to 131.

Step 3

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Make any deduction under section 132 for capital contributions made by the employee to the cost of the car or accessories.

Step 4

If the amount carried forward from step 3 exceeds £80,000, the interim sum is £80,000.

In any other case, the interim sum is the amount carried forward from step 3.

Step 5

Find the appropriate percentage for the car for the year in accordance with sections 133 to 142.

Step 6

Multiply the interim sum by the appropriate percentage for the car for the year.

Step 7

Make any deduction under section 143 for any periods when the car was unavailable.

The resulting amount is the provisional sum.

Step 8

Make any deduction from the provisional sum under section 144 in respect of payments by the employee for the private use of the car.

The result is the cash equivalent of the benefit of the car for the year.

- (2) The method of calculation set out in subsection (1) is modified in the special cases dealt with in—
 - section 146 (cars that run on road fuel gas), and
 - section 147 (classic cars: 15 years of age or more).
- (3) The cash equivalent may be reduced under section 148 where the car is shared.

Cars: the price of a car

122 The price of the car

For the purposes of this Chapter the price of a car means—

- (a) its list price, if it has one, or
- (b) its notional price, if it has no list price.

123 The list price of a car

- (1) In this Chapter a car's "list price" means the price published by the car's manufacturer, importer or distributor (as the case may be) as the inclusive price appropriate for a car of that kind if sold—
 - (a) in the United Kingdom,
 - (b) singly,
 - (c) in a retail sale,
 - (d) in the open market, and

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- (e) on the day immediately before the date of the car’s first registration.
- (2) The “inclusive price” means the price inclusive of—
 - (a) any charge for delivery by the manufacturer, importer or distributor to the seller’s place of business, and
 - (b) any relevant taxes (see section 171(1)).

124 The notional price of a car with no list price

- (1) In this Chapter a car’s “notional price” means the price which might reasonably have been expected to be its list price if its manufacturer, importer or distributor (as the case may be) had published a price as the inclusive price appropriate for a sale of a car of the same kind sold—
 - (a) in the United Kingdom,
 - (b) singly,
 - (c) in a retail sale,
 - (d) in the open market,
 - (e) on the day immediately before the date of the car’s first registration, and
 - (f) with accessories equivalent to the qualifying accessories (see section 125) available with the car at the time when it was first made available to the employee.
- (2) In this section “inclusive price” has the same meaning as in section 123.

Cars: treatment of accessories

125 Meaning of “accessory” and related terms

- (1) In this Chapter “qualifying accessory” means an accessory which—
 - (a) is made available for use with the car without any transfer of the property in the accessory,
 - (b) is made available by reason of the employment, and
 - (c) is attached to the car (whether permanently or not).
- (2) For the purposes of this Chapter “accessory” includes any kind of equipment but does not include—
 - (a) equipment necessarily provided for use in the performance of the duties of the employment;
 - (b) equipment by means of which a car is capable of running on road fuel gas;
 - (c) equipment to enable a disabled person to use a car (see section 172);
 - (d) a mobile telephone (within the meaning given in section 319(2)).
- (3) But subsection (2)(b) does not apply in relation to a car to which section 137 (different CO₂ emissions figure for bi-fuel cars) applies.
- (4) In this Chapter—
 - “standard accessory” means an accessory equivalent to an accessory assumed to be available with cars of the same kind as the car in question in arriving at the list price, and
 - “non-standard accessory” means any other accessory.

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126 Amounts taken into account in respect of accessories

- (1) The price of the following accessories is to be taken into account under step 2 of section 121(1)—
 - (a) in the case of a car with a list price, the price of any initial extra accessory, and
 - (b) in the case of any car, the price of any later accessory.
- (2) In this Chapter an “initial extra accessory” means a qualifying accessory which—
 - (a) is a non-standard accessory,
 - (b) is available with the car at the time when it is first made available to the employee, and
 - (c) if it is an accessory in relation to which there is no published price of the manufacturer, importer or distributor of the car (see section 128), is available with the car in the tax year in question.
- (3) In this Chapter a “later accessory” means a qualifying accessory which—
 - (a) is available with the car in the tax year in question,
 - (b) was not available with the car at the time when it was first made available to the employee,
 - (c) was not made available with the car before 1st August 1993, and
 - (d) has a price of at least £100.
- (4) In this section references to the price of an accessory are to—
 - (a) its list price, if it has one, or
 - (b) its notional price, if it has no list price.
- (5) This section is subject to section 131 (replacement accessories).

127 The list price of an accessory

- (1) For the purposes of this Chapter the list price of an initial extra accessory is—
 - (a) the published price of the manufacturer, importer or distributor of the car (see section 128), or
 - (b) if there is no such price, the published price of the manufacturer, importer or distributor of the accessory (see section 129).
- (2) For the purposes of this Chapter the list price of a later accessory is the published price of the manufacturer, importer or distributor of the accessory (see section 129).

128 Accessory: published price of the car manufacturer etc.

- (1) In this Chapter the “published price of the manufacturer, importer or distributor of the car” in relation to an accessory means the price published by the car’s manufacturer, importer or distributor (as the case may be) as the inclusive price appropriate for an equivalent accessory if sold with a car of the same kind—
 - (a) in the United Kingdom,
 - (b) singly,
 - (c) in a retail sale,
 - (d) in the open market, and
 - (e) on the day immediately before the date of the car’s first registration.
- (2) The “inclusive price” means the price inclusive of—

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- (a) any charge for delivery by the manufacturer, importer or distributor to the seller's place of business,
- (b) any relevant taxes other than car tax (see section 171(1)), and
- (c) any charge for fitting the accessory.

129 Accessory: published price of the accessory manufacturer etc.

- (1) In this Chapter the “published price of the manufacturer, importer or distributor of the accessory” in relation to an accessory means the price published by or on behalf of the manufacturer, importer or distributor of the accessory (as the case may be) as the inclusive price appropriate for such an accessory if sold—
- (a) in the United Kingdom,
 - (b) singly,
 - (c) in a retail sale,
 - (d) in the open market, and
 - (e) at the time immediately before the accessory concerned is first made available for use with the car.
- (2) The “inclusive price” means the price inclusive of—
- (a) any charge for delivery by the manufacturer, importer or distributor to the seller's place of business,
 - (b) any relevant taxes other than car tax (see section 171(1)), and
 - (c) in the case of an accessory permanently attached to the car, the price which the seller would charge for attaching it.
- (3) In the case of an initial extra accessory, the time referred to in subsection (1)(e) may be a time before the car is first made available to the employee.

130 The notional price of an accessory

- (1) In this Chapter the “notional price” of an accessory means the inclusive price which it might reasonably have been expected to fetch if sold—
- (a) in the United Kingdom,
 - (b) singly,
 - (c) in a retail sale,
 - (d) in the open market, and
 - (e) at the time immediately before the accessory concerned is first made available for use with the car.
- (2) The “inclusive price” means the price inclusive of—
- (a) any charge for delivery by the manufacturer, importer or distributor to the seller's place of business,
 - (b) any relevant taxes other than car tax (see section 171(1)), and
 - (c) in the case of an accessory permanently attached to the car, the price which the seller would charge for attaching it.
- (3) In the case of an initial extra accessory, the time referred to in subsection (1)(e) may be a time before the car is first made available to the employee.

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131 Replacement accessories

- (1) This section applies where—
 - (a) a later accessory is available with the car in the tax year in question,
 - (b) that accessory (“the new accessory”) replaced another qualifying accessory (“the old accessory”) in that year or an earlier tax year, and
 - (c) the new accessory is of the same kind as the old accessory.
- (2) If the new accessory is not superior to the old accessory, the cash equivalent of the benefit of the car for the tax year is to be calculated under step 2 of section 121(1) as if—
 - (a) the replacement has not been made, and
 - (b) the new accessory is a continuation of the old accessory.
- (3) If the new accessory is superior to the old accessory and the conditions in subsection (4) are met, the cash equivalent of the benefit of the car for the tax year is to be calculated under step 2 of section 121(1)—
 - (a) as if the old accessory was not available with the car in that tax year, or
 - (b) where the price of the old accessory would (apart from this section) be added to the price of the car under step 2 of section 121(1) as an initial extra accessory, as if it was not available with the car at the time when the car was first made available to the employee.
- (4) The conditions mentioned in subsection (3) are that—
 - (a) the old accessory was a non-standard accessory, and
 - (b) both the old and the new accessory would (apart from this section) be taken into account under step 2 of section 121(1) in calculating the cash equivalent of the benefit of the car for the year.
- (5) For the purposes of this section a new accessory is superior to an old accessory if the price of the new accessory exceeds whichever is the greater of—
 - (a) the price of the old accessory, and
 - (b) the price of an accessory equivalent to the old accessory at the time immediately before the new accessory is first made available for use with the car.
- (6) In this section references to the price of an accessory are to—
 - (a) its list price, if it has one, or
 - (b) its notional price, if it has no list price.

Cars: capital contributions by employee

132 Capital contributions by employee

- (1) This section applies if the employee contributes a capital sum to expenditure on the provision of—
 - (a) the car, or
 - (b) any qualifying accessory which is taken into account in calculating the cash equivalent of the benefit of the car.
- (2) A deduction is to be made from the amount carried forward from step 2 of section 121(1)—

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- (a) for the tax year in which the contribution is made, and
 - (b) for all subsequent years in which the employee is chargeable to tax in respect of the car by virtue of section 120.
- (3) The amount of the deduction allowed in any tax year is the lesser of—
- (a) the total of the capital sums contributed by the employee in that year and any earlier years to expenditure on the provision of—
 - (i) the car, or
 - (ii) any qualifying accessory which is taken into account in calculating the cash equivalent of the benefit of the car for the tax year in question, and
 - (b) £5,000.

Cars: the appropriate percentage

133 How to determine the “appropriate percentage”

- (1) The “appropriate percentage” for a car for a year depends upon when the car was first registered.
- (2) If the car was first registered on or after 1st January 1998, the “appropriate percentage” depends upon whether the car—
 - (a) is a car with a CO₂ emissions figure (see section 134(1)),
 - (b) is a car without a CO₂ emissions figure (see section 134(2)), or
 - (c) is a diesel car to which section 141 applies,and is determined under sections 139 to 141.
- (3) If the car was first registered before 1st January 1998, the “appropriate percentage” is determined under section 142.

134 Meaning of car with or without a CO₂ emissions figure

- (1) In this Chapter a “car with a CO₂ emissions figure” means—
 - (a) a car first registered on or after 1st January 1998 but before 1st October 1999 to which section 135 applies,
 - (b) a car first registered on or after 1st October 1999 to which section 136 applies, or
 - (c) a car first registered on or after 1st January 2000 which is a car to which section 137 (bi-fuel cars) applies.
- (2) In this Chapter a “car without a CO₂ emissions figure” means any other car first registered on or after 1st January 1998.

Cars: appropriate percentage: first registered on or after 1st January 1998

135 Car with a CO₂ emissions figure: pre-October 1999 registration

- (1) This section applies to a car first registered on or after 1st January 1998 but before 1st October 1999 if when it was so registered—

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- (a) it conformed to a vehicle type with an EC type-approval certificate (see section 171(1)), or
 - (b) it had a UK approval certificate (see section 171(1)),
- which specifies a CO₂ emissions figure in terms of grams per kilometre driven.
- (2) The car's CO₂ emissions figure is that specified figure.
 - (3) This is subject to section 138 (automatic car for a disabled employee).

136 Car with a CO₂ emissions figure: post-September 1999 registration

- (1) This section applies to a car first registered on or after 1st October 1999 if it is so registered on the basis of—
 - (a) an EC certificate of conformity (see section 171(1)), or
 - (b) a UK approval certificate (see section 171(1)),
 which specifies a CO₂ emissions figure in terms of grams per kilometre driven.
- (2) The car's CO₂ emissions figure is that specified figure unless more than one figure is specified, in which case the car's CO₂ emissions figure is the figure specified as the CO₂ emissions (combined) figure.
- (3) This is subject to—
 - (a) section 137 (bi-fuel cars), and
 - (b) section 138 (automatic car for a disabled employee).

137 Car with a CO₂ emissions figure: bi-fuel cars

- (1) This section applies to a car first registered on or after 1st January 2000 if it is so registered on the basis of—
 - (a) an EC certificate of conformity (see section 171(1)), or
 - (b) a UK approval certificate (see section 171(1)),
 which specifies separate CO₂ emissions figures in terms of grams per kilometre driven for different fuels.
- (2) The car's CO₂ emissions figure is—
 - (a) the lowest figure specified, or
 - (b) if there is more than one figure specified in relation to each fuel, the lowest CO₂ emissions (combined) figure specified.
- (3) This is subject to section 138 (automatic car for a disabled employee).

138 Car with a CO₂ emissions figure: automatic car for a disabled employee

- (1) This section applies where—
 - (a) a car with a CO₂ emissions figure has automatic transmission (“the automatic car”),
 - (b) at any time in the year when the automatic car is available to the employee (“E”), E holds a disabled person's badge, and
 - (c) by reason of E's disability, E must, in the event of wanting to drive a car, drive a car which has automatic transmission.

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- (2) If, under sections 135 to 137, the automatic car's CO₂ emissions figure is more than it would have been if the automatic car had been an equivalent manual car, the CO₂ emissions figure for the automatic car is to be the CO₂ emissions figure for an equivalent manual car.
- (3) In subsection (2) “an equivalent manual car” means a car which—
 - (a) is first registered at or about the same time as the automatic car, and
 - (b) does not have automatic transmission, but otherwise is the closest variant available of the make and model of the automatic car.
- (4) For the purposes of this section a car has automatic transmission if—
 - (a) the driver of the car is not provided with any means by which the driver may vary the gear ratio between the engine and the road wheels independently of the accelerator and the brakes, or
 - (b) the driver is provided with such means, but they do not include—
 - (i) a clutch pedal, or
 - (ii) a lever which the driver may operate manually.
- (5) For the purposes of this section a car is available to an employee at a particular time if it is then made available, by reason of the employment and without any transfer of the property in it, to the employee.

139 Car with a CO₂ emissions figure: the appropriate percentage

- (1) The appropriate percentage for a year for a car with a CO₂ emissions figure depends upon whether the car's CO₂ emissions figure exceeds the lower threshold for that year.
- (2) If the car's CO₂ emissions figure does not exceed the lower threshold for the year, the appropriate percentage for the year is 15% (“the basic percentage”).
- (3) If the car's CO₂ emissions figure does exceed the lower threshold for the year, the appropriate percentage for the year is whichever is the lesser of—
 - (a) the basic percentage increased by one percentage point for each 5 grams per kilometre by which the CO₂ emissions figure exceeds the lower threshold for the year, and
 - (b) 35%.
- (4) The lower threshold is—

TABLE

<i>Tax year</i>	<i>Lower threshold (in g/km)</i>
2003-04	155
2004-05	145
...	
[^{F1} 2005-06 and subsequent tax years	140]

- (5) If the car's CO₂ emissions figure is not a multiple of 5, it is to be rounded down to the nearest multiple of 5 for the purposes of this section.

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- (6) This section is subject to—
- (a) section 141 (diesel cars), and
 - (b) any regulations made by the Treasury under section 170(4) (power to reduce the appropriate percentage).

Textual Amendments

- F1** Words in s. 139(4) repealed (10.7.2003) by [Finance Act 2003 \(c. 14\), s. 138\(2\), Sch. 43 Pt. 3\(2\)](#)
F2 Words in s. 139(4) inserted (10.7.2003) by [Finance Act 2003 \(c. 14\), s. 138\(3\)](#)

140 Car without a CO₂ emissions figure: the appropriate percentage

- (1) The appropriate percentage for a year for a car without a CO₂ emissions figure is determined under this section.
- (2) If the car has an internal combustion engine with one or more reciprocating pistons, the appropriate percentage for the year is—

TABLE

<i>Cylinder capacity of car in cubic centimetres</i>	<i>Appropriate percentage</i>
1,400 or less	15%
More than 1,400 but not more than 2,000	25%
More than 2,000	35%

For this purpose a car's cylinder capacity is the capacity of its engine as calculated for the purposes of VERA 1994.

- (3) If subsection (2) does not apply, the appropriate percentage for the year is—
 - (a) 15%, if the car is an electrically propelled vehicle, and
 - (b) 35%, in any other case.
- (4) For the purposes of this section a vehicle is not an electrically propelled vehicle unless—
 - (a) it is propelled solely by electrical power, and
 - (b) that power is derived from—
 - (i) a source external to the vehicle, or
 - (ii) an electrical storage battery which is not connected to any source of power when the vehicle is in motion.
- (5) This section is subject to—
 - (a) section 141 (diesel cars), and
 - (b) any regulations made by the Treasury under section 170(4) (power to reduce the appropriate percentage).

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141 Diesel cars: the appropriate percentage

- (1) This section applies to a diesel car first registered on or after 1st January 1998.
- (2) To determine the appropriate percentage for such a car for a year—

Step 1

Determine whether the car is a car with a CO₂ emissions figure or a car without a CO₂ emissions figure (see section 134).

Step 2

Take what would be the appropriate percentage for the car for the year under section 139 or 140 as appropriate.

Step 3

The appropriate percentage for the car for the year is whichever is the smaller of—

- (a) the figure resulting from the addition of 3 percentage points to the figure found under step 2, and
 - (b) 35%.
- (3) In this section “diesel car” means a car which is propelled solely by diesel.
 - (4) This section is subject to any regulations made by the Treasury under section 170(4) (power to reduce the appropriate percentage).

Cars: appropriate percentage: first registered before 1st January 1998

142 Car first registered before 1st January 1998: the appropriate percentage

- (1) The appropriate percentage for a car first registered before 1st January 1998 is determined under this section.
- (2) If the car has an internal combustion engine with one or more reciprocating pistons, the appropriate percentage for the year is—

TABLE

<i>Cylinder capacity of car in cubic centimetres</i>	<i>Appropriate percentage</i>
1,400 or less	15%
More than 1,400 but not more than 2,000	22%
More than 2,000	32%

For this purpose a car’s cylinder capacity is the capacity of its engine as calculated for the purposes of VERA 1994.

- (3) If subsection (2) does not apply, the appropriate percentage for the year is—
 - (a) 15%, if the car is an electrically propelled vehicle, and
 - (b) 32%, in any other case.

Status: Point in time view as at 10/07/2003.

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- (4) For the purposes of this section a vehicle is not an electrically propelled vehicle unless—
- (a) it is propelled solely by electrical power, and
 - (b) that power is derived from—
 - (i) a source external to the vehicle, or
 - (ii) an electrical storage battery which is not connected to any source of power when the vehicle is in motion.

Cars: unavailability or payments for private use

143 Deduction for periods when car unavailable

- (1) A deduction is to be made from the amount carried forward from step 6 of section 121(1) if the car has been unavailable on any day during the tax year in question.
- (2) For the purposes of this section a car is unavailable on any day if the day—
 - (a) falls before the first day on which the car is available to the employee,
 - (b) falls after the last day on which the car is available to the employee, or
 - (c) falls within a period of 30 days or more throughout which the car is not available to the employee.
- (3) The amount of the deduction is given by the formula—

$$\frac{U}{Y} \times A$$

where—

U is the number of days in the year on which the car is unavailable,

Y is the number of days in that year, and

A is the amount carried forward from step 6.

- (4) This section is subject to section 145 (modification where car temporarily replaced).

144 Deduction for payments for private use

- (1) A deduction is to be made from the provisional sum calculated under step 7 of section 121(1) if, as a condition of the car being available for the employee's private use, the employee—
 - (a) is required in the tax year in question to pay (whether by way of deduction from earnings or otherwise) an amount of money for that use, and
 - (b) makes such payment.
- (2) If the amount paid by the employee in respect of that year is equal to or exceeds the provisional sum, the provisional sum is reduced so that the cash equivalent of the benefit of the car for that year is nil.
- (3) In any other case the amount paid by the employee in respect of the year is deducted from the provisional sum in order to give the cash equivalent of the benefit of the car for that year.

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- (4) In this section the reference to the car being available for the employee's private use includes a reference to the car being available for the private use of a member of the employee's family or household.
- (5) This section is subject to section 145 (modification where car temporarily replaced).

145 Modification of provisions where car temporarily replaced

- (1) This section applies if—
 - (a) the car normally available to an employee (“the normal car”) is not available to the employee for a period of less than 30 days,
 - (b) another car (“the replacement car”) is made available to the employee in order to replace the normal car for the whole or part of that period,
 - (c) the employee is chargeable to tax in respect of both the normal car and the replacement car by virtue of section 120, and
 - (d) the replacement car meets condition A or B.
- (2) Condition A is met if the replacement car is not materially better than the normal car.
- (3) Condition B is met if the replacement car is not made available to the employee under an arrangement of which the main purpose, or one of the main purposes, is to provide the employee with the benefit of a car which is materially better than the normal car.
- (4) If this section applies—
 - (a) section 143 (deduction for periods when car unavailable) applies so that the replacement car is to be treated as unavailable on the days of the period during which it replaces the normal car, and
 - (b) section 144 (deduction for payments for private use) applies as if the replacement had not been made and the replacement car were a continuation of the normal car.
- (5) A replacement car is regarded as materially better than the normal car if—
 - (a) it is materially better in quality, or
 - (b) when calculating the cash equivalent of the benefit of the replacement car, the interim sum calculated under step 4 of section 121(1) is materially higher than the interim sum calculated in relation to the normal car.

Cars: special cases

146 Cars that run on road fuel gas

- (1) This section applies if the car—
 - (a) has been manufactured so as to be capable of running on road fuel gas, and
 - (b) is not a car to which section 137 (different CO₂ emissions figure for bi-fuel cars) applies.
- (2) The price of the car found under step 1 of section 121(1) is to be reduced by so much of that price as it is reasonable to attribute to the car being manufactured in such a way as to be capable of running on road fuel gas rather than in such a way as to be capable of running only on petrol.

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147 Classic cars: 15 years of age or more

- (1) This section applies in calculating the cash equivalent of the benefit of a car for a tax year if—
 - (a) the age of the car at the end of the year is 15 years or more,
 - (b) the market value of the car for the year is £15,000 or more, and
 - (c) that market value exceeds the amount carried forward from step 3 of section 121(1).
- (2) For the amount carried forward from step 3 substitute the market value of the car for the tax year in question less any deductions under subsection (6).
- (3) The market value of a car for a tax year is the price which the car might reasonably have been expected to fetch on a sale in the open market on—
 - (a) the last day of that year, or
 - (b) the last day in that year on which the car is available to the employee if that is earlier.
- (4) It is assumed that any qualifying accessories available with the car on that day are included in the sale.
- (5) Subsection (6) applies if the employee contributes a capital sum to expenditure on the provision of—
 - (a) the car, or
 - (b) any qualifying accessory which is taken into account in determining the market value of the car.
- (6) A deduction is to be made from the market value of the car—
 - (a) for the tax year in which the contribution is made, and
 - (b) for all subsequent years in which the employee is chargeable to tax in respect of the car by virtue of section 120.
- (7) The amount of the deduction allowed in any tax year is the lesser of—
 - (a) the total of the capital sums contributed by the employee in that year and any earlier years to expenditure on the provision of—
 - (i) the car, or
 - (ii) any qualifying accessory which is taken into account in determining the market value of the car for the tax year in question, and
 - (b) £5,000.

Cars: reduction where shared car

148 Reduction of cash equivalent where car is shared

- (1) This section applies if in a tax year a car—
 - (a) is available to more than one employee concurrently,
 - (b) is so made available by the same employer, and
 - (c) is available concurrently for each employee's private use,
 and two or more of those employees are chargeable to tax in respect of the car in that year by virtue of section 120.
- (2) The cash equivalent of the benefit of the car to each of those employees for that year—

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- (a) is to be calculated separately under section 121, and
 - (b) is then to be reduced on a just and reasonable basis.
- (3) If the employment of any of the employees mentioned in subsection (1)(a) is an excluded employment, the availability of the car to that employee is to be disregarded for the purposes of subsection (2)(b).
- (4) In this section the reference to the car being available for each employee's private use includes a reference to the car being available for the private use of a member of the employee's family or household.

Car fuel: benefit treated as earnings

149 Benefit of car fuel treated as earnings

- (1) If in a tax year—
- (a) fuel is provided for a car by reason of an employee's employment, and
 - (b) that person is chargeable to tax in respect of the car by virtue of section 120, the cash equivalent of the benefit of the fuel is to be treated as earnings from the employment for that year.
- (2) The cash equivalent of the benefit of the fuel is calculated in accordance with sections 150 to 153.
- (3) Fuel is to be treated as provided for a car, in addition to any other way in which it may be provided, if—
- (a) any liability in respect of the provision of fuel for the car is discharged,
 - (b) a non-cash voucher or a credit-token is used to obtain fuel for the car,
 - (c) a non-cash voucher or a credit-token is used to obtain money which is spent on fuel for the car, or
 - (d) any sum is paid in respect of expenses incurred in providing fuel for the car.
- (4) References in this section to fuel do not include any facility or means for supplying electrical energy for an electrically propelled vehicle.

150 Car fuel: calculating the cash equivalent

- (1) The cash equivalent of the benefit of the fuel is the appropriate percentage of £14,400.
- (2) The "appropriate percentage" means the appropriate percentage determined in accordance with sections 133 to 142 for the purpose of calculating the cash equivalent of the benefit of the car for which the fuel is provided.
- (3) But the cash equivalent may be—
- (a) nil where either of the conditions in section 151 is met;
 - (b) proportionately reduced under section 152;
 - (c) reduced under section 153.

151 Car fuel: nil cash equivalent

- (1) The cash equivalent of the benefit of the fuel is nil if condition A or B is met.

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- (2) Condition A is met if in the tax year in question—
- (a) the employee is required to make good to the person providing the fuel the whole of the expense incurred by that person in connection with the provision of the fuel for the employee's private use, and
 - (b) the employee does make good that expense.
- (3) Condition B is met if in the tax year in question the fuel is made available only for business travel (see section 171(1)).

152 Car fuel: proportionate reduction of cash equivalent

- (1) The cash equivalent of the benefit of the fuel is to be proportionately reduced if for any part of the tax year in question the car for which the fuel is provided is unavailable (within the meaning of section 143 (deduction for periods when car unavailable)).
- (2) The cash equivalent of the benefit of the fuel is also to be proportionately reduced if for any part of the tax year in question—
 - (a) the facility for the provision of fuel as mentioned in section 149(1) is not available,
 - (b) the fuel is made available only for business travel (see section 171(1)), or
 - (c) the employee is required to make good to the person providing the fuel the whole of the expense incurred by that person in connection with the provision of the fuel for the employee's private use and the employee does make good that expense.
- (3) The fact that any of the conditions specified in subsection (2) is met for part of a tax year is to be disregarded if there is a time later in that year when none of those conditions is met.
- (4) Where the cash equivalent is to be proportionately reduced under subsection (1) or (2) (or under both those subsections), the reduced amount is given by the formula—

$$CE \times \frac{Y-D}{Y}$$

where—

CE is the amount of the cash equivalent before any reduction,

Y is the number of days in the tax year in question, and

D is the total number of days in that year on which either the car is unavailable or one or more of the conditions in subsection (2) is met.

153 Car fuel: reduction of cash equivalent

If a reduction of the cash equivalent of the benefit of the car for which the fuel is provided is made under section 148 (reduction of cash equivalent where car is shared), a corresponding reduction is to be made in relation to the cash equivalent of the benefit of the fuel.

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Vans: benefit treated as earnings

154 Benefit of van treated as earnings

If this Chapter applies to a van in relation to a particular tax year, the cash equivalent of the benefit of the van is to be treated as earnings from the employment for that year.

155 Method of calculating the cash equivalent of the benefit of a van

- (1) The method of calculation of the cash equivalent of the benefit of a van for a tax year depends upon whether the van is a shared van for the whole or any part of that year.
- (2) If the van is not a shared van for the whole or any part of the year, the cash equivalent of the benefit of the van for the year is the value of exclusive availability calculated in accordance with section 157.
- (3) If the van is a shared van for the whole of the year, the cash equivalent of the benefit of the van for the year is the value of shared availability calculated in accordance with section 160.

This is subject to subsection (7) where more than one shared van is available to an employee.

- (4) If the van is a shared van for only part of the year the cash equivalent of the benefit of the van for the year is the total of—
 - (a) the value of exclusive availability calculated in accordance with section 157 (for the period when it is not a shared van), and
 - (b) the value of shared availability calculated in accordance with section 160 (for the period when it is a shared van).

This is subject to subsection (7) where more than one shared van is available to an employee.

- (5) The value of shared availability calculated in accordance with section 160 under section 161 (normal calculation) takes account of—
 - (a) the shared van, and
 - (b) where that van is made available by the employer, any other vans made available by the employer (whether or not to the employee or a member of the employee's family or household) which are shared vans for the whole or any part of the tax year in question.
- (6) The value of shared availability calculated in accordance with section 160 under section 164 (alternative calculation) takes account of—
 - (a) the shared van, and
 - (b) where that van is made available by the employer, any other vans made available by the employer to the employee or a member of the employee's family or household which are shared vans for the whole or any part of the tax year in question.
- (7) Accordingly, if more than one shared van, which is made available by the same employer, is available to an employee in a tax year the total of the cash equivalents in respect of those vans is calculated by—
 - (a) taking the value of shared availability calculated once in accordance with section 160, and

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- (b) if any of those vans is a shared van for only part of the year, adding the value of exclusive availability in respect of each of those vans calculated in accordance with section 157.

(8) This section is subject to section 166 (limit of cash equivalent).

156 Meaning of “shared van”

- (1) For the purposes of sections 155 to 165 a van is a shared van for a period if condition A or B is met.
- (2) Condition A is met if throughout the period the van is available concurrently to more than one employee of the same employer.
- (3) Condition B is met if—
 - (a) the period is one throughout which the van is available to different employees of the same employer (a “shared period”), and
 - (b) the circumstances are such that the employee or employees to whom the van is available at any given time in the period are not necessarily the same as those to whom it is available at any other given time in the period.
- (4) But if the van is available to only one employee for a period exceeding 30 days (an “exclusive period”)—
 - (a) the exclusive period does not count towards any period that would otherwise be a shared period,
 - (b) the shared period is to be treated as ending when the exclusive period begins, and
 - (c) a further shared period may begin after the end of the exclusive period.
- (5) If a van is a shared van for part of a day, it is to be treated for the purposes of this section as shared throughout that day.

Vans: value of exclusive availability

157 Value of exclusive availability

The value of exclusive availability is calculated as follows— *Step 1*

Determine the age of the van.

Step 2

If the age of the van is less than 4 years at the end of the tax year in question, the basic value of the van for the year is £500.

In any other case, the basic value of the van for the year is £350.

Step 3

Make any deduction from the basic value of the van under section 158 for any periods when the van was unavailable or a shared van.

The resulting amount is the provisional sum.

Step 4

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Make any deduction from the provisional sum under section 159 in respect of payments by the employee for the private use of the van.

The result is the value of exclusive availability.

158 Deduction for periods of unavailability or shared use

- (1) A deduction is to be made from the basic value of the van calculated under step 2 of section 157 if there are any excluded days during the tax year in question.
- (2) In this section an “excluded day” means a day on which—
 - (a) the van is unavailable (see subsection (4)), or
 - (b) the van is a shared van.
- (3) The amount of the deduction is given by the formula—

$$\frac{E}{Y} \times B$$

where—

E is the number of excluded days in the year,

Y is the number of days in the year, and

B is the basic value of the van calculated under step 2 of section 157.

- (4) For the purposes of this section a van is unavailable on any day if the day—
 - (a) falls before the first day on which the van is available to the employee,
 - (b) falls after the last day on which the van is available to the employee, or
 - (c) falls within a period of 30 days or more throughout which the van is not available to the employee.

159 Deduction for payments for private use

- (1) A deduction is to be made from the provisional sum calculated under step 3 of section 157 if, as a condition of the van being available for the employee’s private use, the employee—
 - (a) is required in the tax year in question to pay (whether by way of deduction from earnings or otherwise) an amount of money for that use, and
 - (b) makes such payment.
- (2) If the amount paid by the employee in respect of that year is equal to or exceeds the provisional sum, the provisional sum is reduced so that the value of exclusive availability is nil.
- (3) In any other case the amount paid by the employee in respect of the year is deducted from the provisional sum in order to give the value of exclusive availability.
- (4) If the van is a shared van for any part of the tax year in question, the reference in subsection (1) to the employee’s private use in that year is to be read as a reference to the employee’s private use in that part of the year when the van is not a shared van.

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- (5) In this section any reference to the van being available for the employee's private use includes a reference to the van being available for the private use of a member of the employee's family or household.

Vans: value of shared availability

160 Value of shared availability

The value of shared availability is calculated under—

- (a) section 161, or
- (b) section 164 where the employee makes a claim for that section to apply.

161 Value of shared availability: normal calculation

- (1) The value of shared availability is calculated as follows—

Step 1

Identify the van or vans involved in the calculation. They are—

- (a) the shared van, and
- (b) where that van is made available by the employer, any other vans made available (whether or not to the employee or a member of the employee's family or household) by the same employer which are shared vans for the whole or any part of the tax year in question.

Step 2

Determine whether the employee is a participating employee within the meaning of section 162.

If the employee is not, then the value of shared availability is nil.

Step 3

Determine the total number of participating employees within the meaning of section 162.

Step 4

Find the basic value of the van for the year under section 163 or, where more than one van is involved, the basic value of each of those vans for the year under that section.

Step 5

Calculate the reckonable amount which is given by the formula—

$$\frac{BV}{PE}$$

where—

BV is the basic value of the van or, where more than one van is involved, the total of the basic values of each of those vans, and

PE is the total number of participating employees.

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Step 6

If the reckonable amount exceeds £500, the provisional sum is £500.

In any other case, the provisional sum is the reckonable amount.

Step 7

Make any deduction from the provisional sum under section 165 in respect of payments by the employee for the private use of the van or vans involved.

The result is the value of shared availability.

- (2) The calculation is made under this section in relation to a participating employee regardless of—
- (a) the number of vans involved which are available to the particular employee,
 - (b) the fact that a particular van involved is or is not available to, or used by, the employee, or
 - (c) the extent to which a particular van involved is available to, or used by, the employee.

162 Shared van: meaning of “participating employee”

- (1) If only one van is involved, an employee is a participating employee for the purposes of section 161 if—
- (a) the van is available to the employee for the employee’s private use while it is a shared van, and
 - (b) the employee makes private use of it at least once while it is a shared van.
- (2) If more than one van is involved, an employee is a participating employee for the purposes of section 161 if—
- (a) one of the vans is available to the employee for the employee’s private use while it is a shared van, or
 - (b) some or all of the vans are available to the employee for the employee’s private use while they are shared vans,
- and the employee makes private use of at least one of the vans involved while it is a shared van.
- (3) In this section—
- (a) any reference to a van being available for an employee’s private use includes a reference to the van being available for the private use of a member of the employee’s family or household, and
 - (b) any reference to an employee making private use of a van includes a reference to a member of the employee’s family or household making private use of it.

163 Shared van: basic value

- (1) The basic value of a shared van is calculated as follows—

Step 1

Determine the age of the van.

Step 2

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If the age of the van is less than 4 years at the end of the tax year in question, the interim value of the van is £500.

In any other case, the interim value of the van is £350.

Step 3

Make a deduction from the interim value if there are any excluded days during the tax year in question.

The amount of the deduction is given by the formula—

$$\frac{E}{Y} \times IV$$

where—

E is the number of excluded days in the year,

Y is the number of days in the year, and

IV is the interim value of the van.

The result is the basic value of the van for the year.

- (2) In this section an “excluded day” means a day on which—
- (a) the van is not a shared van, or
 - (b) the van is incapable of use.
- (3) For the purposes of this section a van is to be treated as incapable of use on any day if the day falls within a period of 30 days or more throughout which the van is incapable of being used at all.

164 Value of shared availability: alternative calculation

- (1) This section applies if the employee makes a claim for this section to apply instead of section 161.
- (2) The value of shared availability is calculated as follows—

Step 1

Identify the van or vans involved in the calculation. They are—

- (a) the shared van, and
- (b) where that van is made available by the employer, any other vans made available by the same employer to the employee or a member of the employee’s family or household which are shared vans for the whole or any part of the tax year in question.

Step 2

Determine the number of relevant days for the van, or where more than one van is involved, for each of those vans.

Step 3

Calculate the provisional sum which is given by the formula—

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RD × £5

where RD is the number of relevant days for the van or, where more than one van is involved, the total of the number of relevant days for each of those vans.

Step 4

Make any deduction from the provisional sum under section 165 in respect of payments by the employee for the private use of the van or vans involved.

The result is the value of shared availability.

- (3) For the purposes of this section a relevant day is a day—
 - (a) which falls in the tax year in question, and
 - (b) during which (or during part of which) the employee or a member of the employee's family or household makes private use of the van concerned while it is a shared van.
- (4) For the purposes of section 95 of TMA 1970 (incorrect return etc.) a claim under this section is to be treated as a claim for relief.

165 Deduction for payments for private use

- (1) A deduction is to be made from the provisional sum calculated under step 6 of section 161(1) or step 3 of section 164(2) if, as a condition of the van or vans involved being available for the employee's private use, the employee—
 - (a) is required in the tax year in question to pay (whether by way of deduction from earnings or otherwise) an amount of money for that use, and
 - (b) makes such payment.
- (2) If the relevant sum in respect of that year is equal to or exceeds the provisional sum, the provisional sum is reduced so that the value of shared availability is nil.
- (3) In any other case the relevant sum in respect of the year is deducted from the provisional sum in order to give the value of shared availability.
- (4) The relevant sum is found by—
 - (a) taking for any van involved the amount paid by the employee as a condition of it being available for the employee's private use in respect of the period when it is a shared van in the year concerned, and
 - (b) where more than one van is involved, adding together all the amounts found under paragraph (a).
- (5) In this section any reference to a van being available for the employee's private use includes a reference to the van being available for the private use of a member of the employee's family or household.

Vans: limit of cash equivalent

166 Vans: limit of cash equivalent

If—

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- (a) the cash equivalent of the benefit of vans to an employee for a tax year would (apart from this section) total more than £500, and
 - (b) no more than one of the vans is available to the employee for the employee's private use, or the private use of a member of the employee's family or household, at any one time in the year,
- the cash equivalent of the benefit of the vans to the employee for the year is to be £500.

Cars and vans: exceptions

167 Pooled cars

- (1) This section applies to a car in relation to a particular tax year if for that year the car has been included in a car pool for the use of the employees of one or more employers.
- (2) For that tax year the car—
 - (a) is to be treated under section 114(1) (cars to which this Chapter applies) as not having been available for the private use of any of the employees concerned, and
 - (b) is not to be treated in relation to the employees concerned as an employment-related benefit within the meaning of Chapter 10 of this Part (taxable benefits: residual liability to charge) (see section 201).
- (3) In relation to a particular tax year, a car is included in a car pool for the use of the employees of one or more employers if in that year—
 - (a) the car was made available to, and actually used by, more than one of those employees,
 - (b) the car was made available, in the case of each of those employees, by reason of the employee's employment,
 - (c) the car was not ordinarily used by one of those employees to the exclusion of the others,
 - (d) in the case of each of those employees, any private use of the car made by the employee was merely incidental to the employee's other use of the car in that year, and
 - (e) the car was not normally kept overnight on or in the vicinity of any residential premises where any of the employees was residing, except while being kept overnight on premises occupied by the person making the car available to them.

168 Pooled vans

- (1) This section applies to a van in relation to a particular tax year if for that year the van has been included in a van pool for the use of the employees of one or more employers.
- (2) For that tax year the van—
 - (a) is to be treated under section 114(1) (vans to which this Chapter applies) as not having been available for the private use of any of the employees concerned, and
 - (b) is not to be treated in relation to the employees concerned as an employment-related benefit within the meaning of Chapter 10 of this Part (taxable benefits: residual liability to charge) (see section 201).

Status: Point in time view as at 10/07/2003.

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- (3) In relation to a particular tax year, a van is included in a van pool for the use of the employees of one or more employers if in that year—
- (a) the van was made available to, and actually used by, more than one of those employees,
 - (b) the van was made available, in the case of each of those employees, by reason of the employee's employment,
 - (c) the van was not ordinarily used by one of those employees to the exclusion of the others,
 - (d) in the case of each of those employees, any private use of the van made by the employee was merely incidental to the employee's other use of the van in that year, and
 - (e) the van was not normally kept overnight on or in the vicinity of any residential premises where any of the employees was residing, except while being kept overnight on premises occupied by the person making the van available to them.

169 Car available to more than one member of family or household employed by same employer

- (1) This section applies where—
- (a) an employee ("E") and a member of the employee's family or household ("M") are employed by the same employer, and
 - (b) as a result of a car being made available to M in a tax year, E would (apart from this section) be chargeable to tax in respect of the car in that year by virtue of section 120.
- (2) The cash equivalent of the benefit of the car and of any fuel provided for the car by reason of E's employment is not to be treated as E's earnings for that year if—
- (a) M is chargeable to tax in respect of the car in that year by virtue of section 120, or
 - (b) where M's employment is an excluded employment, M had the benefit of the car in M's own right as an employee and condition A or B is met.
- (3) Condition A is met if equivalent cars are made available on the same terms to employees who—
- (a) are in similar employment to M with the same employer, and
 - (b) are not members of the family or household of employees of that employer who are employed in employment which is not an excluded employment.
- (4) Condition B is met if the making available of an equivalent car is in accordance with the normal commercial practice for an employment of the kind held by M.

Orders

170 Orders etc. relating to this Chapter

- (1) The Treasury may by order substitute a greater amount for that for the time being specified in—
- (a) step 4 of section 121(1) (car: maximum interim sum),
 - (b) section 126(3)(d) (car: minimum price of later accessory),

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- (c) section 132(3)(b) (car: maximum contributions deduction),
 - (d) section 147(1)(b) (classic car: minimum value), or
 - (e) section 147(7)(b) (classic car: maximum contributions deduction).
- (2) An order under subsection (1) must specify the tax years to which it applies.
- (3) The Treasury may by order provide for a “lower threshold” different from that specified in the Table in section 139(4) (car with a CO₂ emissions figure) to apply for tax years beginning on or after [F36th April 2006] or such later date as may be specified in the order.
- (4) The Treasury may by regulations provide for the value of the appropriate percentage as determined under sections 139 to 141 to be reduced—
- (a) by such amount,
 - (b) in such circumstances, and
 - (c) subject to such conditions,
- as may be prescribed in the regulations.
- (5) The Treasury may by order substitute a different amount for that specified in section 150(1) (car fuel: cash equivalent).
- (6) An order under subsection (5) must specify the tax years to which it applies, being tax years beginning after that in which it is made.

Textual Amendments

F3 Words in s. 170(3) substituted (10.7.2003) by [Finance Act 2003 \(c. 14\), s. 138\(4\)](#)

Supplementary

171 Minor definitions: general

- (1) In this Chapter—

“business travel”, in relation to any employee, means travelling the expenses of which, if incurred and paid by the employee, would (if Chapter 2 of Part 4 did not apply) be deductible under sections 337 to 342, section 353 or under Chapter 5 of Part 5 (other than section 377);

“diesel” means any diesel fuel within the definition in Article 2 of Directive [98/70/EC](#) of the European Parliament and of the Council;

“EC certificate of conformity” means a certificate of conformity issued by a manufacturer under any provision of the law of a Member State implementing Article 6 of Council Directive [70/156/EEC](#), as amended;

“EC type-approval certificate” means a type-approval certificate issued under any provision of the law of a Member State implementing Council Directive [70/156/EEC](#), as amended;

“relevant taxes” means any car tax, any value added tax, any customs or excise duty and any tax chargeable as if it were a customs duty;

“road fuel gas” means any substance which is gaseous at a temperature of 15°C and under a pressure of 1013.25 millibars, and which is for use as fuel in road vehicles;

“UK approval certificate” means a certificate issued under—

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- (a) section 58(1) or (4) of the Road Traffic Act 1988 (c. 52), or
 - (b) Article 31A(4) or (5) of the Road Traffic (Northern Ireland) Order 1981 (S.I. 1981/154 (N.I. 1)).
- (2) In this Chapter references to the date of first registration in relation to a car or van are to the date on which the vehicle was first registered under VERA 1994 or under corresponding legislation of any country or territory.
- (3) In this Chapter references to the age of a car or a van at any time are to the interval between the date of first registration of the vehicle and that time.
- (4) In this Chapter “disabled person’s badge” means a badge—
- (a) which is issued to a disabled person under section 21 of the Chronically Sick and Disabled Persons Act 1970 (c. 44) or section 14 of the Chronically Sick and Disabled Persons (Northern Ireland) Act 1978 (c. 53), or has effect as if it had been issued under one of those provisions, and
 - (b) which is not required to be returned to the issuing authority under or by virtue of the provision referred to in paragraph (a).

172 Minor definitions: equipment to enable a disabled person to use a car

- (1) In section 125(2)(c) “equipment to enable a disabled person to use a car” means equipment—
- (a) which is designed solely for use by a chronically sick or disabled person, or
 - (b) which is made available for use with the car because it enables a disabled employee to use the car in spite of the disability.
- (2) In this section—
- “disabled employee” means an employee who, at the time when the car is first made available to the employee, holds a disabled person’s badge, and
 - “the disability” means the disability entitling the disabled employee to hold the disabled person’s badge.

Status:

Point in time view as at 10/07/2003.

Changes to legislation:

Income Tax (Earnings and Pensions) Act 2003, Chapter 6 is up to date with all changes known to be in force on or before 21 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.