



# Finance Act 2018

## 2018 CHAPTER 3

### PART 2

#### INDIRECT TAXES

##### *Excise duties*

#### **44 VED: rates for light passenger vehicles, light goods vehicles, motorcycles etc**

- (1) Schedule 1 to VERA 1994 (annual rates of duty) is amended as follows.
- (2) In paragraph 1 (general rate)—
- (a) in sub-paragraph (2) (vehicle not covered elsewhere in Schedule with engine cylinder capacity exceeding 1,549cc), for “£245” substitute “£255”, and
  - (b) in sub-paragraph (2A) (vehicle not covered elsewhere in Schedule with engine cylinder capacity not exceeding 1,549cc), for “£150” substitute “£155”.
- (3) In paragraph 1B (rates for light passenger vehicles registered before 1 April 2017)—
- (a) for the Table substitute—

<i>“CO<sub>2</sub> emissions figure</i>		<i>Rate</i>	
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
<i>Exceeding</i>	<i>Not exceeding</i>	<i>Reduced rate</i>	<i>Standard rate</i>
<i>g/km</i>	<i>g/km</i>	<i>£</i>	<i>£</i>
100	110	10	20
110	120	20	30
120	130	110	120
130	140	130	140
140	150	145	155

*Status: This is the original version (as it was originally enacted).*

<i>“CO<sub>2</sub> emissions figure</i>		<i>Rate</i>	
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
<i>Exceeding</i>	<i>Not exceeding</i>	<i>Reduced rate</i>	<i>Standard rate</i>
<i>g/km</i>	<i>g/km</i>	<i>£</i>	<i>£</i>
150	165	185	195
165	175	220	230
175	185	240	250
185	200	280	290
200	225	305	315
225	255	530	540
255	—	545	555”;

(b) in the sentence immediately following the Table, for paragraphs (a) and (b) substitute—

“(a) in column (3), in the last two rows, “305” were substituted for “530” and “545”, and

(b) in column (4), in the last two rows, “315” were substituted for “540” and “555”.”

(4) For paragraph 1GC (rates on first licence for light passenger vehicles registered on or after 1 April 2017) substitute—

“1GC (1) This paragraph applies for the purpose of determining the rate at which vehicle excise duty is to be paid on the first vehicle licence for a vehicle to which this Part of this Schedule applies.

(2) If the vehicle is not a higher rate diesel vehicle, the annual rate of duty applicable to the vehicle is determined in accordance with Table 1 by reference to—

(a) the applicable CO<sub>2</sub> emissions figure, and

(b) whether the vehicle qualifies for the reduced rate of duty or is liable to the standard rate of duty.

(3) If the vehicle is a higher rate diesel vehicle, the annual rate of duty applicable to the vehicle is determined in accordance with Table 2 by reference to the applicable CO<sub>2</sub> emissions figure.

Table 1 - vehicles other than higher rate diesel vehicles

<i>CO<sub>2</sub> emissions figure</i>		<i>Rate</i>	
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
<i>Exceeding</i>	<i>Not exceeding</i>	<i>Reduced rate</i>	<i>Standard rate</i>
<i>g/km</i>	<i>g/km</i>	<i>£</i>	<i>£</i>
0	50	—	10
50	75	15	25

*Status: This is the original version (as it was originally enacted).*

<i>CO<sub>2</sub> emissions figure</i>		<i>Rate</i>	
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
<i>Exceeding</i>	<i>Not exceeding</i>	<i>Reduced rate</i>	<i>Standard rate</i>
<i>g/km</i>	<i>g/km</i>	<i>£</i>	<i>£</i>
75	90	95	105
90	100	115	125
100	110	135	145
110	130	155	165
130	150	195	205
150	170	505	515
170	190	820	830
190	225	1230	1240
225	255	1750	1760
255		2060	2070

Table 2 - higher rate diesel vehicles

<i>CO<sub>2</sub> emissions figure</i>		<i>Rate</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>
<i>Exceeding</i>	<i>Not exceeding</i>	<i>Rate</i>
<i>g/km</i>	<i>g/km</i>	<i>£</i>
0	50	25
50	75	105
75	90	125
90	100	145
100	110	165
110	130	205
130	150	515
150	170	830
170	190	1240
190	225	1760
225	255	2070
255		2070

(4) For the purposes of this paragraph a vehicle is a higher rate diesel vehicle if it is constructed so as to be propelled by diesel and it does not meet the Euro 6d emissions standard.

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*Status: This is the original version (as it was originally enacted).*

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- (5) A vehicle meets the Euro 6d emissions standard only if it is first registered on the basis of an EU certificate of conformity which indicates that the exhaust emission level is Euro 6d (and it does not meet that standard if it is first registered on the basis of an EU certificate of conformity which indicates that that level is Euro 6d-TEMP).
- (6) “Diesel” means any diesel fuel within Article 2 of Directive 98/70/EC of the European Parliament and of the Council.”
- (5) In paragraph 1J (rates for light goods vehicles) in paragraph (a) for “£240” substitute “£250”.
- (6) In paragraph 2(1) (rates for motorcycles)—
- (a) in paragraph (a), for “£18” substitute “£19”,
  - (b) in paragraph (b), for “£41” substitute “£42”,
  - (c) in paragraph (c), for “£62” substitute “£64”, and
  - (d) in paragraph (d), for “£85” substitute “£88”.
- (7) The amendments made by this section have effect in relation to licences taken out on or after 1 April 2018.