



CAR BENEFITS

Where a company car is made available for private use to an employee that includes commuting to and from work, a car benefit will arise.

The key factors for determining the benefit charge for private use of provided cars will be the list price and the level of the car's carbon dioxide (CO₂) emissions.

The cash equivalent of the car benefit is the list price, when new, multiplied by the appropriate percentage which is based on the level of CO₂ emissions as advised by the manufacturer.

For the years 2018/19 to 2019/20, the car benefit will be based on a percentage of the list price as follows:

<u>Emissions in g/km</u>	<u>Percentage of List Price</u>	
	<u>2018/19</u>	<u>2019/20</u>
0 - 50	13	16
51 - 75	16	19
76 - 94	19	22
95 - 99	20	23
110 - 104	21	24
105 - 109	22	25
Increasing by 1% per 5g/km to maximum	37	37

A diesel surcharge of 4% applies to diesel cars up to the 37% maximum, unless the vehicle meets the Real Driving Emissions Step 2 (RDE2) standard, in which case no surcharge applies.

2020/21

Significant changes have been made to company car tax benefits in kind bands commencing 6 April 2020 for ultra-low emission vehicles (ULEVs). Such ULEVs are cars with CO₂ emissions below 75g/km.

The most tax efficient cars will be those with CO₂ emissions below 50g/km and there are further incentives for those cars that travel the furthest on electric only motivation.

Further details can be found at our website www.btw.uk.com