



# Finance Act 2014

## 2014 CHAPTER 26

### PART 1

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

### CHAPTER 2

#### INCOME TAX: GENERAL

#### *Other provisions*

#### **24 Cars: the appropriate percentage**

- (1) Chapter 6 of Part 3 of ITEPA 2003 (taxable benefits: cars, vans and related benefits) is amended as follows.
- (2) In section 133 (how to determine the appropriate percentage), in subsection (2)—
  - (a) at the end of paragraph (a) insert “or”,
  - (b) omit paragraph (c) and the “or” before it, and
  - (c) for “to 141” substitute “and 140”.
- (3) Section 139 (cars with a CO<sub>2</sub> figure: the appropriate percentage) is amended in accordance with subsections (4) to (6).
- (4) In subsection (2) —
  - (a) in paragraph (a) for “5%” substitute “7%”,
  - (b) in paragraph (aa) for “9%” substitute “11%”, and
  - (c) in paragraph (b) for “13%” substitute “15%”.
- (5) In subsection (3), for “14%” substitute “16%”.
- (6) In subsection (7), omit paragraph (a) and the “and” after it.

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*Status: This is the original version (as it was originally enacted).*

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- (7) Section 140 (cars without a CO<sub>2</sub> figure: the appropriate percentage) is amended in accordance with subsections (8) to (10).
- (8) In subsection (2), in the Table —
  - (a) for “15%” substitute “16%”, and
  - (b) for “25%” substitute “27%”.
- (9) In subsection (3)(a), for “5%” substitute “7%”.
- (10) In subsection (5), omit paragraph (a) and the “and” after it.
- (11) Omit section 141 (diesel cars: the appropriate percentage).
- (12) Section 142 (car first registered before 1st January 1998: the appropriate percentage) is amended in accordance with subsections (13) and (14).
- (13) In subsection (2), in the Table —
  - (a) for “15%” substitute “16%”,
  - (b) for “22%” substitute “27%”, and
  - (c) for “32%” substitute “37%”.
- (14) In subsection (3), for “32%” substitute “37%”.
- (15) In section 170(4) (power to reduce value of appropriate percentage by regulations), for the words “to 141” substitute “and 140”.
- (16) In consequence, section 23(4) and (5)(b) of FA 2013 is omitted.
- (17) The amendments made by this section have effect for the tax year 2016-17 and subsequent tax years.