



Finance (No. 2) Act 2017

2017 CHAPTER 32

PART 1

DIRECT TAXES

Income tax: employment and pensions

2 Taxable benefits: ultra-low emission vehicles

(1) ITEPA 2003 is amended as follows.

(2) In section 139 (car with a CO₂ emissions figure: the appropriate percentage), for subsections (1) to (6) substitute—

“(1) The appropriate percentage for a year for a car with a CO₂ emissions figure of less than 75 is determined in accordance with the following table.

<i>Car</i>	<i>Appropriate percentage</i>
Car with CO ₂ emissions figure of 0	2%
Car with CO ₂ emissions figure of 1 - 50	
Car with electric range figure of 130 or more	2%
Car with electric range figure of 70 - 129	5%
Car with electric range figure of 40 - 69	8%
Car with electric range figure of 30 - 39	12%
Car with electric range figure of less than 30	14%
Car with CO ₂ emissions figure of 51 - 54	15%
Car with CO ₂ emissions figure of 55 - 59	16%

Status: This is the original version (as it was originally enacted).

<i>Car</i>	<i>Appropriate percentage</i>
Car with CO ₂ emissions figure of 60 - 64	17%
Car with CO ₂ emissions figure of 65 - 69	18%
Car with CO ₂ emissions figure of 70 - 74	19%

- (2) For the purposes of subsection (1) and the table, if a CO₂ emissions figure or an electric range figure is not a whole number, round it down to the nearest whole number.
- (3) The appropriate percentage for a year for a car with a CO₂ emissions figure of 75 or more is whichever is the lesser of—
- 20% plus one percentage point for each 5 grams per kilometre driven by which the CO₂ emissions figure exceeds 75, and
 - 37%.
- (4) For the purposes of subsection (3), if a CO₂ emissions figure is not a multiple of 5, round it down to the nearest multiple of 5.
- (5) In this section, an “electric range figure” is the number of miles which is the equivalent of the number of kilometres specified in an EC certificate of conformity, an EC type-approval certificate or a UK approval certificate on the basis of which a car is registered, as being the maximum distance for which the car can be driven in electric mode without recharging the battery.”
- (3) In section 140 (car without a CO₂ emissions figure: the appropriate percentage)—
- in subsection (2), in the table —
 - for “23%” substitute “24%”, and
 - for “34%” substitute “35%”;
 - in subsection (3)(a), for “16%” substitute “2%”.
- (4) In section 142(2) (car first registered before 1 January 1998: the appropriate percentage), in the table—
- for “23%” substitute “24%”, and
 - for “34%” substitute “35%”.
- (5) Omit subsection 170(3).
- (6) The amendments made by this section have effect for the tax year 2020-21 and subsequent tax years.