



Finance Act 2020

2020 CHAPTER 14

PART 3

OTHER TAXES

Vehicle taxes

85 Electric vehicles: extension of exemption

- (1) VERA 1994 is amended as follows.
- (2) In paragraph 25 of Schedule 2 (exempt vehicles: light passenger vehicles with low CO₂ emissions) omit sub-paragraphs (5) and (6) (no exemption if vehicle price exceeds £40,000 etc).
- (3) As a consequence, Part 1AA of Schedule 1 (annual rates of duty: light passenger vehicles registered on or after 1 April 2017) is amended as follows.
- (4) In paragraph 1GB (exemption from paying duty on first vehicle licence for certain vehicles)—
 - (a) in sub-paragraph (1) omit “(2) or”, and
 - (b) omit sub-paragraph (2).
- (5) In paragraph 1GD (rates of duty payable on any other vehicle licence for vehicle), in sub-paragraph (2) omit “or (4)”.
- (6) In paragraph 1GE (higher rates of duty: vehicles with a price exceeding £40,000)—
 - (a) omit sub-paragraphs (3) and (4), and
 - (b) in sub-paragraph (5) for “sub-paragraphs (2) and (4) do” substitute “ Sub-paragraph (2) does ”.
- (7) In paragraph 1GF (calculating the price of a vehicle), in sub-paragraph (1) omit “and (3)(a)”.

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 2020, Section 85. (See end of Document for details)*

- (8) The amendments made by this section come into force on 1 April 2020 but do not apply in relation to licences in force immediately before that date.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2020, Section 85.