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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order provides for new tables of flat rate cash equivalents to be substituted in section 158(2) of the Income and Corporation Taxes Act 1988 (c. 1) with effect from 6th April 2001. Directors and employees earning £8,500 or more a year for whom fuel is provided for private use in a company car are chargeable to income tax on an amount equal to the appropriate cash equivalent of the benefit.

Table A applies where the car has an internal combustion engine with one or more reciprocating pistons and is not a diesel car. Table AB applies where the car has an internal combustion engine with one or more reciprocating pistons and is a diesel car. Table B applies where the car does not have an internal combustion engine with one or more reciprocating pistons, and accordingly applies to rotary engined cars.