

Dear Mr Toomer

Thank you for your recent e-mail headed Freedom of Information request – Taxation class. This is being dealt with as part of our day to day business.

Legislation states that all vehicles that are to be used or kept on the public road must be taxed and registered. Every vehicle must also display a current tax disc. The tax class a vehicle is registered and taxed at depends on its construction and its use on the public road. Information on all tax classes can be found in the Notes about Taxation classes booklet (V355/1).

A system of graduated vehicle excise duty (VED) was introduced for cars registered from 1 March 2001 based on carbon dioxide emissions (CO2) and type of fuel used. CO2 emissions are measured as part of the Type Approval process that each variant and version of individual vehicle models must undergo before they can be offered for sale in the European Union.

Vehicles registered prior to 1 March 2001, and vehicles where CO2 data is not available, pay VED according to their engine size. Therefore, these vehicles fall to be licensed in the Private Light Goods (PLG) taxation class, where the type of fuel used is not a deciding factor in determining the rate of VED.

Both the Graduated VED and Private Light Goods Class (PLG) covers cars for private use. I advise you must register and tax your vehicle accordingly.

All vehicle registration and licensing is governed by the Vehicle Excise and Registration Act 1994 (as amended) and the Road Vehicles (Registration and Licensing) Regulations 2002.

The Act requires the registered keeper of a vehicle to either license it or, if it is being kept off-road in the UK, make a statutory off-road declaration (SORN). This indicates that the vehicle is off the public road and is therefore, not liable for VED.

Further information on how to ensure that you may drive legally on UK roads and on obtaining the necessary documents to do so can be found at www.direct.gov.uk/motoring.

I hope this has helped to clarify the position for you.

Regards

Policy & External Communications Directorate