

**TAX**

**VAT**

**MOTOR**

**TIPS**

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Bristol Street Motors

# Renault & Hyundai

## Renault

- 1<sup>st</sup> & Highest Euro NCAP 5\* Safety award
- Formula 1 features

## Hyundai

- 5yr/100000 mile business warranty
- From £6995 OTR

# PRO + Renault Commercials

- Expanded inc Rear Wheel Drive
- Extended range ~ 4m<sup>3</sup> to 22m<sup>3</sup>
- Enhanced Customer Services
- Skilled Specialist support

# Bristol Street Exeter

- Owned by Vertu Motors
- Rank in Top 5 motor groups
- 18yrs local motor trade
- Future Business Network

# Finance Products

## ■ PURCHASE (owned)

Hire Purchase

Lease Purchase

For Tax & VAT Purposes  
all purchase plans are  
treated in the same way

## ■ HIRE (rent)

Contract Hire  
(Operating Lease)

Lease Hire  
(Finance Lease)

For Tax & VAT Purposes  
all hire plans are  
treated in the same way

# Current Car Tax Legislation

## ■ PURCHASE

20% Write down allowance (price of vehicle) p.a. on reducing basis up to 160g/km no cap on amount

10% WDA p.a. on reducing basis for over 160g/km no cap on amount

100% of interest charge is allowed

## ■ HIRE

100% of the car lease payments up to 160g/km can be offset

85% of the lease payments over 160g/km can be offset

100% of Maintenance (service) element is also allowable

Claim ½ VAT back

# *Tax is now based on CO2 Bandings of Car*

- 160g/km is the Key figure
- Note if choosing a higher CO2 consider the Hire option
- No Change on vans

# VAT

## ■ PURCHASE

Reclaim in Full on vans

Nothing on Cars  
(accept charities/taxies etc)

## ■ HIRE

100% of vat element on the  
rental for vans

50% of vat element on cars  
(100% if solely business!)

100% of maintenance element  
can be reclaimed for  
Cars/Vans

# 2<sup>nd</sup> Hand May Cost More!

- Less upto 5 yr old cars by 2013
- Shrinking younger used car park
- Manufactures reduction in low profit deals
- Credit Crunch reducing part exchanges
- Finance tightening
- Government Scrappage Scheme Finished
- 3 million fewer cars over next 3 yrs
- Therefore stronger used values costs
- Cost of servicing & maintenance against new

# Money saving tips

- Speak to Business or Fleet Departments
- Register in a Business Name (1+)
- Get Several Examples for yr accountant
- Treasury Under estimated tax from new Vehicle Excise Duty (RFL)  
result rapid increase?
- VED ~ Up to 131 Co2 nothing to pay!

# Remember ...

- When choosing a new vehicle you will keep for 3years +
- What mileage changes
- How business may change/grow
- Personal use changes activities/family

# Useful Contacts

- Your accountant
- [www.direct.gov.uk](http://www.direct.gov.uk)
- [www.hmrc.gov.uk](http://www.hmrc.gov.uk)
- [www.renault.co.uk](http://www.renault.co.uk) (tax calculator)
- Catherine Petherick – contact details
- [cpe52@bristolstreet.co.uk](mailto:cpe52@bristolstreet.co.uk)
- 01392 423000
- 07803 935898

# Finally

- Relax & enjoy your new vehicle

*... Thank you*