

How much is a tax disc?



Your tax disc in 2008 – linked to your car's fuel type and CO₂ emissions

What you pay in Vehicle Excise Duty (VED) is governed by the CO₂ emissions of your fleet cars. The recent Budget changes to the way Vehicle Excise Duty is calculated lowered the fees payable by the lowest polluting cars and raised duty for the higher polluters on the road.

The table to the right shows what you will now be paying when you renew the tax discs on your fleet cars. If you're uncertain of the CO₂ output of a car, you should be able to find it on the Vehicle Registration Document, or V5. Alternatively, for cars registered between 1 January, 1998 and 28 February, 2001, you should be able to find the information at www.vcacarfueldata.org.uk, the official website of the Vehicle Certification Agency. The site also offers an online VED calculator.



Vehicle Excise Duty charges 2008/9

The changes to the VED bandings are aimed at encouraging use of fuel efficient, cleaner running cars, such as the Honda Civic Hybrid. Its annual Vehicle Excise Duty is now just £15. It also remains exempt from the London Congestion Charge, thanks to its low emissions.

Vehicles registered on or after 1 March, 2001			
Bands	CO ₂ emissions figure (g/km)	Diesel and petrol cars 12 month tax disc £	Alternative fuel cars 12 month tax disc £
A	Up to 100	0.00	0.00
B	101 to 120	35.00	15.00
C	121 to 150	120.00	100.00
D	151 to 165	145.00	125.00
E	166 to 185	170.00	150.00
F	186 to 225	210.00	195.00
G	226+	400.00	385.00

2009 VED banding shake-up

As of 1 April, 2009 the Vehicle Excise Duty (VED) banding system will undergo a major shakeup, resulting in far narrower bands.

The new bands will make it even more desirable to own a low-emissions car – and even harder on the pocket of those who continue to run cars with high CO₂ emissions. You can see from the table on the far right just how much impact the new banding will have.

Vehicle Excise Duty charges 2009/10

Vehicles registered on or after 1 March, 2001			
Bands	CO ₂ emissions figure (g/km)	Diesel and petrol cars 12 month tax disc £	Alternative fuel cars 12 month tax disc £
A	Up to 100	0.00	0.00
B	101 to 110	20.00	0.00
C	111 to 120	30.00	10.00
D	121 to 130	90.00	70.00
E	131 to 140	110.00	90.00
F	141 to 150	120.00	100.00
G	151 to 160	150.00	130.00
H	161 to 170	175.00	155.00
I	171 to 180	205.00	185.00
J	181 to 200	260.00	245.00
K	201 to 225	300.00	285.00
L	226 to 255	415.00	400.00
M	255+	440.00	425.00

And what about 2010/11?

A further low-emission incentive from 1 April 2010, will be no first-year VED charge for cars producing less than 130g CO₂/km. Cars producing more than 255g CO₂/km, though, will pay a first year VED charge of £950 (a so-called 'showroom' charge) and then £455 annually.