

CAR AND FUEL BENEFITS 2024/25

CARS AND FUEL MADE AVAILABLE TO EMPLOYEES FOR PRIVATE USE

As part of the 2024 Budget, the Minister for the Treasury, the Hon. Dr Alex Allinson, MHK announced that with effect from 6 April 2024 the cash equivalent for car and fuel benefits provided by employers to employees will now be calculated in accordance with the Income Tax (Benefits in Kind) (Car and Fuel) Order 2024.

Car benefits will now be calculated by using the following 7 step process and referring to the tables shown in the appendices. Full details and definition of terms are available in [Practice Note 223/24](#) and the [Income Tax \(Benefits in Kind\) \(Car and Fuel\) Order 2024](#).

Step 1	Determine the price of the car.
Step 2	Add the price of any accessories.
Step 3	Deduct any capital contributions made by the employee. The maximum contribution allowed as a deduction is capped at £5,000. This figure is known as the interim sum.
Step 4	<p>Find the appropriate percentage for the car.</p> <p><u>Cars registered after 1 April 2010</u> The <i>appropriate percentage</i> will be established by taking the car's CO₂ emission figure specified in the qualifying emissions certificate and comparing this to the table provided in Appendix 1.</p> <p><u>Cars registered before 1 April 2010 or cars for which a CO₂ emissions figure is unavailable</u> The <i>appropriate percentage</i> will be established by taking the cars cylinder capacity and comparing this to the table provided in Appendix 2.</p> <p>If a car does not have a cylinder capacity the appropriate percentage should be:</p> <ul style="list-style-type: none">• 2% if the car cannot emit any CO₂ by being driven; or• 37% in any other case.
Step 5	Multiply the interim sum established in step 3 by the appropriate percentage established in step 4.
Step 6	Make any deductions for any days when the car was unavailable. This figure is known as the provisional sum.
Step 7	Make any deduction from the provisional sum established in step 6 in respect of payment made by the employee for the private use of the car. The result is the cash equivalent of the benefit of the car for the year.

Fuel Benefit –

The cash equivalent for the car is calculated by multiplying £27,800, by the appropriate percentage established in step 4 above, then making a deduction for any periods the car is unavailable.

Car fuel does not include any facility or means for supplying electrical energy or any energy for a car which cannot in any circumstances emit CO₂ by being driven.

Appendix 1 – CARS REGISTERED ON OR AFTER 1 APRIL 2010: THE APPROPRIATE PERCENTAGE

TABLE 1		
CO₂ emissions figure (grams per km)	Electric range figure (miles)	Appropriate percentage
0	—	2%
1 to 50	130 and above	2%
1 to 50	70 to 129	5%
1 to 50	40 to 69	8%
1 to 50	30 to 39	12%
1 to 50	less than 30	14%
51 to 54	—	15%
55 to 59	—	16%
60 to 64	—	17%
65 to 69	—	18%
70 to 74	—	19%
75 to 79	—	20%
80 to 84	—	21%
85 to 89	—	22%
90 to 94	—	23%
95 to 99	—	24%
100 to 104	—	25%
105 to 109	—	26%
110 to 114	—	27%
115 to 119	—	28%
120 to 124	—	29%
125 to 129	—	30%
130 to 134	—	31%
135 to 139	—	32%
140 to 144	—	33%
145 to 149	—	34%
150 to 154	—	35%
155 to 159	—	36%
160 to 164	—	37%
165 to 169	—	37%
170 and above	—	37%

Appendix 2 – CARS REGISTERED BEFORE 1 APRIL 2010 OR CARS FOR WHICH A CO₂ EMISSIONS FIGURE IS UNAVAILABLE: THE APPROPRIATE PERCENTAGE

TABLE 2	
Cylinder capacity of car in cubic centimetres	Appropriate percentage
1,400 or less	24%
More than 1,400 but not more than 2,000	35%
More than 2,000	37%

If a car does not have a cylinder capacity the appropriate percentage should be:

- 2% if the car cannot emit any CO₂; or
- 37% in any other case.