



INCOME TAX ACT 1970

INCOME TAX (CAR BENEFITS) ORDER 2007

Approved by Tynwald 20th March 2007

Coming into operation on 6th April 2007

In exercise of the powers conferred on the Treasury by section 2I (4) of the Income Tax Act 1970 (a), and of all other enabling powers, the following Order is hereby made :-

Citation, commencement and interpretation

1. (1) This Order may be cited as the Income Tax (Car Benefits) Order 2007 and, subject to section 2I (6) of the Income Tax Act 1970, shall come into operation on 6th April 2007.
- (2) This Order shall apply in respect of the income tax year commencing 6th April 2007 and subsequent years.

Cash equivalents of car benefits

2. In Part I of Schedule 1B to the Income Tax Act 1970 (Tables of flat rate cash equivalents) for Tables A, B and C there shall be substituted the following tables:-

“Table A

Cars with an original market value of up to £19,250 and having a cylinder capacity (or which are electric cars)

Description / Cylinder Capacity of car in cubic centimetres	Age of car at the end of the relevant year of assessment	
	Under 4 years	4 years or more
Electric car (regardless of cylinder capacity)	£ Nil	£ Nil
1,400 or less	£1,070	£710
More than 1,400 but not more than 2,000	£1,980	£1,320
More than 2,000	£3,140	£2,100

(a) Vol XXI p. 260; section 2I inserted by Schedule 1 to the Income Tax Act 1989 [c.10];

Table B

Cars with an original market value of up to £19,250, and not having a cylinder capacity (or which are electric cars)

Description / Original market value of car	Age of car at the end of the relevant year of assessment	
	Under 4 years	4 years or more
Electric car (regardless of original market value)	£ Nil	£ Nil
Less than £6,000	£1,070	£710
£6,000 or more, but less than £8,500	£1,980	£1,320
£8,500 or more but not more than £19,250	£3,140	£2,100

Table C

Cars with an original market value of more than £19,250 (including electric cars)

Description / Original market value of car	Age of car at the end of the relevant year of assessment	
	Under 4 years	4 years or more
Electric car (regardless of original market value)	£ Nil	£ Nil
More than £19,250 but not more than £29,000	£4,120	£2,760
More than £29,000	£6,560	£4,360

For the purposes of Table A, Table B and Table C “electric car” means a vehicle intended for use on any public road, where the only source of power is electricity, usually provided by rechargeable batteries, but may also be provided by photovoltaic (solar) cells or a fuel cell. It does not include ‘hybrid’ cars where more than one type of fuel or source of power can be used.”

Revocation

3. The Income Tax (Car Benefits) Order 1994 (b) is revoked.

Made this 28th day of February 2007



Minister for the Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order replaces the Tables which are used to calculate the value of employer provided vehicles where an element of private use is allowed by an employee. The new Tables reduce the benefit in kind charge to nil where an electric car is provided by an employer to an employee with effect from the 6th April 2007.

(b) S.D. No. 68/94