



## Churchill Recruitment

Security Recruitment Specialists

### HOW TO CALCULATE THE TAX PAYABLE ON A COMPANY CAR

The benefit in kind on a company car is calculated by multiplying the new list price of the car by the applicable taxable % which depends on the CO<sub>2</sub> emissions and whether the car is petrol or diesel.

CO <sub>2</sub> emissions	Taxable % (petrol)	Taxable % (diesel)
Less than 145	15%	18%
145 to 149	16%	19%
150 to 154	17%	20%
155 to 159	18%	21%
160 to 164	19%	22%
165 to 169	20%	23%
170 to 174	21%	24%
175 to 179	22%	25%
180 to 184	23%	26%
185 to 189	24%	27%
190 to 194	25%	28%
195 to 199	26%	29%
200 to 204	27%	30%
205 to 209	28%	31%
210 to 214	29%	32%
215 to 219	30%	33%
220 to 224	31%	34%
225 to 229	32%	35%
230 to 234	33%	35%
235 to 239	34%	35%
240 and over	35%	35%

#### Example

You are provided with a Ford Focus 1.8i Ghia (petrol) with a list price of £14,000 and a CO<sub>2</sub> emissions figure of 181.

#### Step 1:

The CO<sub>2</sub> figure of 181 falls in the band 180 to 184 giving a tax % for petrol cars of 23%

#### Step 2:

The benefit in kind is calculated as £14,000 x 23% = £3,220

#### Step 3:

The tax payable is calculated as follows:

For a 22% taxpayer: £3,220 x 22% = £708.40 p.a.

For a 40% taxpayer: £3,220 x 40% = £1,288.00 p.a.