Car Tax Calculator Guide

This Guide provides details about how to use the Car Tax Calculator and the assumptions made when calculating your vehicle's tax costs.

Selecting your vehicle
On the first screen you need to select your vehicles for comparison. Firstly choose a pure electric vehicle or plug-in vehicle; the default shows you new cars that are available to buy in the UK now, but you can also select the Used button to find any plug-in car which has been on sale previously. Next select your comparison vehicle, this can be another plug-in vehicle or a petrol / diesel car.

Selecting your cost details
On the input screen you are asked whether you would like company car tax rates shown, and whether you drive within the London Congestion Charge Zone regularly. The default settings will just provide information on car tax costs, but by selecting any of the other options as desired, further details can be shown.

Your car tax results
Your car tax costs using the two vehicles selected are calculated using the vehicle's official CO2 emissions and purchase costs. Displayed are the two models selected with details of each model available, and a headline three-year saving figure. The results are displayed up to three ways. All results will show figures under the heading VED, while those who have selected to see company car tax costs and/or London Congestion Charge costs will see results under the headings of BIK and C-Charge respectively. Finally a total will be shown, adding together the three year cost of VED, plus BIK rates and C-Charge costs where selected.

Vehicle Excise Duty (VED)
For new cars the Vehicle Excise Duty (VED) includes the First Year Rate, and Standard or Premium Rates (adding an extra charge of £320 a year to cars with a list price over £40,000 in the first 5 'Standard Rate years') payable from a vehicle's second year. The VED rates assume all new cars are registered from 01 April 2019 onwards. New diesel cars are charged a supplement if not compliant with RDE2 regulations. The results reflect this supplement where applicable.

For used cars VED includes the Standard/Premium Rate for cars registered between 01 April 2017 and 31 March 2019. Models registered before 01 April 2017 will display just the Standard Rate. All rates will vary based on bands using official NEDC CO2 emissions for cars registered from March 2001, and on engine capacity for cars registered prior to March 2001.

Full details on latest VED rates can be found on Next Green Car’s Car Tax microsite.
BIK Company Car Tax

BIK Company Car Tax is based on your income tax band, vehicle type, the P11D ? value and official NEDC vehicle CO2 emissions. Tax payable is shown for each financial year from 2019 to 2022 together with the total BIK tax for the three-year period.

Some used cars do not have a P11D figure. In these cases, the BIK Tax Payable is shown as ?not available? and the BIK figures for either vehicle are not included in the summary savings figure at the top of the results.

Important update: BIK rates 2021-2022: For the first time, the UK Government has failed to pre-announce company car BIK rates for at least three years in advance. While BIK rates have been announced for financial years 2019-2020 and 2020-2021, the rates for 2021-2022 are not currently known. Given that most vehicle financial planning is conducted over at least three years, the assumption has been made that the BIK rates for 2020-2021 will continue unchanged in the period 2021-2022. While this is far from an ideal situation, this at least enables forward planning through the use of our company car tax tool. As soon as official BIK rates for 2021-22 are published, the site will be updated to reflect the actual figures.

Full details on latest BIK rates can be found on Next Green Car’s Car Tax microsite.

London Congestion Charge

London Congestion Charge (C-Charge) is based on the current daily charge of ?11.50 (for applicable cars and applies daily Mon to Fri) and the frequency of trips into the Congestion Charge Zone. The total charge is shown for a three-year period.

Electric vehicles typically qualify for the 100% Ultra Low Emission Discount (ULED). This allows cars that emit 75 g/km CO2 or less, and meet Euro 5 emissions standards or better, a 100 per cent discount after a ?10 annual registration fee has been paid. It is intended to reward drivers of ultra low emission vehicles that minimise their impact on Central London’s air quality.

For more information on London Congestion Charge and to see a list of eligible ULED vehicles go to Next Green Car’s C-Charge page.

The data and calculations behind these tools is provided by Next Green Car Ltd and subject to the Terms and Conditions of use.