

1 Vehicle excise duty: taxis capable of zero emissions

- (1) Part 1AA of Schedule 1 to VERA 1994 (annual rates of duty: light passenger vehicles first registered on or after 1 April 2017) is amended as follows.
- (2) In paragraph 1GE (higher rates for vehicles with price above £40,000), after sub-paragraph (4) insert –
 - “(5) Sub-paragraphs (2) and (4) do not apply to a vehicle if when it is first registered, whether that is under this Act or under the law of a country or territory outside the United Kingdom, it is a taxi capable of zero emissions (see paragraph 1GG).”

- (3) After paragraph 1GF insert –

“Meaning of “taxi capable of zero emissions”

1GG(1) The Secretary of State may by regulations make provision about the meaning of “taxi capable of zero emissions” in paragraph 1GE.

- (2) In the following provisions of this paragraph “regulations” means regulations under sub-paragraph (1).
- (3) Regulations may (in particular) make provision of any one or more of the following kinds –
 - (a) that a vehicle is a taxi capable of zero emissions if the vehicle is of a description specified in regulations;
 - (b) that a vehicle is at any particular time a taxi capable of zero emissions if the vehicle is of a model specified at that time in a list maintained by the Secretary of State;
 - (c) that a vehicle is a taxi capable of zero emissions if conditions specified in regulations are met.
- (4) Where regulations make provision of the kind mentioned in sub-paragraph (3)(b) –
 - (a) regulations may (in particular) provide that a model of vehicle may be specified in the list only if it appears to the Secretary of State that vehicles of that model are of a description specified in regulations;
 - (b) regulations must provide for publication of the list;
 - (c) regulations may allow a model of vehicle to be included in the list with backdated effect.
- (5) A description of a kind mentioned in sub-paragraph (3)(a) or (4)(a) may be framed (in particular) by reference to a scheme, or an instrument or other document, as it has effect from time to time.
- (6) Regulations made before 1 April 2020 that do not increase the amount of vehicle excise duty for which any person is liable may have effect in relation to vehicle licences taken out at times before the regulations come into force (including times before the regulations are made).”

- (4) The amendments made by this section have effect in relation to licences taken out on or after 1 April 2019.
- (5) The new paragraph 1GE(5) has effect, in the case of a vehicle first registered in the two years beginning with 1 April 2017, as if the reference to when the

vehicle is first registered were to the start of the first period beginning on or after 1 April 2019 for which a vehicle licence for the vehicle is taken out.