

EIM21880

sXXX ITEPA 2003

Exemption for workplace charging of electric and plug-in hybrid vehicles

From 6 April 2018, where an individual is provided with workplace charging facilities for their own car or van, no taxable benefit arises in respect of costs relating to the provision of electricity at those facilities if the [qualifying conditions](#) are met.

The exemption applies to charging facilities for all-electric and plug-in hybrid cars and vans.

What the exemption covers

The exemption covers:

- the cost of electricity
- the cost to the employer of providing the charging facilities
- any connected services

What the exemption doesn't apply to

The exemption does not apply to the reimbursement or payment of an employee's personal expenditure in respect of electric charging away from the employer's premises, for example at a motorway service station.

Where an employer reimburses an employee's electricity costs for charging the vehicle other than on the employer's premises and the electricity is then used on a business journey, the employee may be entitled to Approved Mileage Allowance Payments (AMAPs) or Mileage Allowance Relief (MAR) (see [EIM31205](#)).

Qualifying conditions

You must meet all of the qualifying conditions for the exemption to apply.

Dedicated charging points

Electricity must be provided through a dedicated charging point.

A dedicated charging point is a charging point dedicated to charging all-electric or plug-in hybrid vehicles and specifically designed for this purpose.

Location of charging facilities

The charging facilities must be provided at premises under the control of the employer.

The exemption does not apply where the charging facilities are at the employee's home or at premises not under the control of the employer.

Provided to employees generally

Charging must be available to either:

- all the employer's employees generally
- all the employer's employees generally at a particular location

Optional remuneration arrangements

The benefit will remain taxable if it's offered in conjunction with an optional remuneration arrangement. The exemption is a relevant exemption as defined in s228A(1)-(3) ITEPA 2003 ([EIM44131](#)).

Passengers

Charging facilities must be for a car or van in which the employee is either the driver or a passenger.

Example

Mr and Mrs X work for different employers in a similar location and so take turns to drive each other to work. Mr X's employer spends £6000 to install charging points in their office car park.

Mrs X's employer does not provide charging points at her workplace. When Mr X makes use of the charging facilities at his office's car park, the benefit of the electricity used, the use of the charging point and any connected services are exempt.

On days when Mrs X drives them both, the car is parked at Mr X's office.

The use of the charging facilities remains exempt as Mr X is a passenger.

Company cars and vans

Provision of electricity and connected services by an employer for a company car or van is exempt under s239 ITEPA 2003.