

1 Vehicle excise duty: zero-emission and plug-in hybrid vehicles

Schedule 1 –

- (a) amends VERA 1994 in relation to the vehicle excise duty payable in respect of zero-emission and plug-in hybrid vehicles, and
- (b) makes related amendments to road traffic legislation.

SCHEDULE 1

Section 1

VEHICLE EXCISE DUTY: ZERO-EMISSION AND PLUG-IN HYBRID VEHICLES

PART 1

AMENDMENTS TO VERA 1994

Introduction

- 1 VERA 1994 is amended as follows.

Zero-emission and plug-in hybrid vehicles to be subject to eVED charge

- 2 In section 2 (annual rates of duty), after subsection (7) insert –
- “(8) Where vehicle excise duty is charged in respect of an eVED vehicle, vehicle excise duty in respect of that vehicle is chargeable by reference to –
- (a) the annual rate applicable to it, plus
- (b) the eVED charge.
- (9) But if an eVED vehicle would be an exempt vehicle but for being an eVED vehicle (see section 5(2A)), vehicle excise duty in respect of that vehicle is chargeable only by reference to the eVED charge (and, accordingly, the annual rate applicable to it is to be treated for the purposes of this Act as zero).”
- 3 In section 5 (exempt vehicles), after subsection (2) insert –
- “(2A) But a vehicle described in Schedule 2 as an exempt vehicle is not an exempt vehicle if it is an eVED vehicle.”
- 4 After section 6 insert –

“eVED vehicles: special provision

6A eVED vehicles

- (1) In this Act, “eVED vehicle” means a vehicle that –
- (a) is a light passenger vehicle,
- (b) is a zero-emission vehicle or a plug-in hybrid vehicle, and
- (c) is not a special purpose vehicle.
- (2) For those purposes –
- (a) a vehicle is a “light passenger vehicle” if it is a motor vehicle designed and constructed primarily for the carriage of passengers, with no more than eight seats in addition to the driver’s seat;
- (b) a vehicle is a “plug-in hybrid vehicle” if –

- (i) the motive power of the vehicle is capable of being derived from an electrical source external to the vehicle, but
 - (ii) the motive power of the vehicle is also capable of being derived from other sources;
 - (c) a vehicle is a “special purpose vehicle” if it is of a type listed in point 5 of Part A of Annex I to Regulation (EU) 2018/858 of the European Parliament and of the Council of 30 May 2018 on the approval and market surveillance of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles.
- (3) If a vehicle is, on first registration under this Act or under the law of a country or territory outside the United Kingdom, an eVED vehicle, its status as such a vehicle is not affected by any subsequent modification of the vehicle.

6B eVED charge

- (1) The eVED charge for a vehicle licence taken out for an eVED vehicle is to be determined by adding together –
- (a) the estimated mileage amount,
 - (b) the actual mileage adjustment amount (which may be negative),
 - (c) any top-up amount (which will be negative),
 - (d) any refund amount,
 - (e) any carry-over amount (which will be negative), and
 - (f) any residual unpaid amount.
- But see subsection (11) for cases in which the eVED charge is instead the estimated mileage amount only.
- (2) If the amount of the eVED charge determined under subsection (1) is less than zero, the eVED charge is to be treated as zero.
- (3) The “estimated mileage amount” for a vehicle licence is the estimated mileage multiplied by the per-mile rate for the vehicle.
- (4) The “estimated mileage” for a vehicle licence is the amount estimated, by the person by whom the licence is taken out when the licence is taken out, as the number of miles for which the vehicle in respect of which the licence is taken out will be driven in the period for which the licence is taken out.
- (5) The “per-mile rate” is –
- (a) for a zero-emission vehicle, 3p;
 - (b) for a plug-in hybrid vehicle, 1.5p.
- (6) The “actual mileage adjustment amount” for a vehicle licence is –

- (a) the number of miles for which the vehicle was driven between the assessment date for the last vehicle licence taken out for the vehicle (“the last licence”) and the assessment date for the new licence, less
 - (b) the estimated mileage for the last licence, multiplied by the per-mile rate for the vehicle.
- (7) The “assessment date” for a vehicle licence is a date determined in accordance with regulations made by the Secretary of State.
- (8) See section 6D for the meaning of “top-up amount” and “refund amount” (which apply if there was a top-up or refund under section 6C while the last licence was in force).
- (9) There is a “carry-over amount” for a vehicle licence if the amount of the eVED charge determined under subsection (1) for the last licence was less than zero; and the carry-over amount is –
 - (a) the amount so determined, if the per-mile rate for the vehicle at the time the last licence was taken out is the current rate, or
 - (b) the amount so determined multiplied by the amount given by dividing the current rate by the per-mile rate for the vehicle at the time the last licence was taken out, if the per-mile rate for the vehicle at the time the last licence was taken out is not the current rate.
- (10) A “residual unpaid amount” is any amount of vehicle excise duty determined in accordance with this section in respect of an earlier vehicle licence which has not been paid (whether because it has ceased to be due under an agreement under section 19B or otherwise).
- (11) The eVED charge is the estimated mileage amount if –
 - (a) the licence is the first vehicle licence for the vehicle,
 - (b) the licence would be the first vehicle licence for the vehicle but for section 62(1C),
 - (c) the last vehicle licence for the vehicle ceased to be in force because –
 - (i) the rebate condition in section 19(3)(a) was met (that is, the vehicle was stolen),
 - (ii) the rebate condition in section 19(3)(g) was met (that is, the vehicle was exported), or
 - (iii) the rebate condition in section 19(3)(ga) was met (that is, it was not possible to make or provide a required mileage record for the vehicle), or
 - (d) the last vehicle licence for the vehicle ceased to be force because the rebate condition in section 19(3)(f) was met (that is, the vehicle was sold or disposed of) and the subsequent

owner of the vehicle was not subject to vehicle excise duty in respect of the vehicle.

6C Top-ups and refunds

- (1) This section applies in relation to an eVED vehicle in respect of which a vehicle licence is in force.
- (2) The Secretary of State may authorise a person to pay to the Secretary of State an amount (a “top-up”) in respect of an eVED vehicle if—
 - (a) the person makes an application to the Secretary of State, complying with such requirements as may be specified in regulations made by the Secretary of State, requesting to pay a top-up, and
 - (b) the Secretary of State is satisfied that either—
 - (i) the credit amount is zero or more, or
 - (ii) the credit amount is less than zero and the credit amount would be zero or more if the top-up were paid.
- (3) The requirements that may be specified in regulations under subsection (2)(a) may include that the person pays a fee to the Secretary of State or another person (whether in all cases or only in certain cases).
- (4) The Secretary of State may pay to a person in whose name a vehicle is registered under this Act an amount (a “refund”) in respect of an eVED vehicle if—
 - (a) the person makes an application to the Secretary of State, complying with such requirements as may be specified in regulations made by the Secretary of State, requesting the refund,
 - (b) the Secretary of State is satisfied that the person is suffering financial hardship, and
 - (c) the Secretary of State is satisfied that—
 - (i) the credit amount is more than £100, and
 - (ii) the credit amount would be zero or more if the refund were paid.
- (5) For the purposes of this section, the “credit amount” is the amount determined by—
 - (a) adding together the amounts that, under sections 6B and 6D, would be—
 - (i) the actual mileage adjustment amount,
 - (ii) any top-up amount,
 - (iii) any refund amount,
 - (iv) any carry-over amount, and
 - (v) any residual unpaid amount,

if references in those sections to an earlier vehicle licence were references to the licence in force and references to a new licence were to the application, and

- (b) expressing a result that is less than zero as a positive number and a result that is more than zero as a negative number.

6D Top-up amounts and refund amounts

- (1) There is a “top-up amount” for a vehicle licence if a top-up was paid under section 6C(2) while the last licence taken out for the vehicle was in force; and the top-up amount is –
 - (a) the amount of the top-up (expressed as a negative number), if the per-mile rate for the vehicle at the time the top-up was paid is the current rate, or
 - (b) the amount of the top-up (expressed as a negative number) multiplied by the amount given by dividing the current rate by the per-mile rate for the vehicle at the time the top-up was paid, if the per-mile rate for the vehicle at the time the top-up was paid is not the current rate.
- (2) There is a “refund amount” for a vehicle licence if a refund was paid under section 6C(4) while the last licence taken out for the vehicle was in force; and the refund amount is to be determined by taking the steps in subsection (3).
- (3) The steps are –

Step 1

If one or more top-ups were paid after the last licence was taken out and before the refund was paid, allocate the refund to one or more of those top-ups, in accordance with steps 2 and 3. Otherwise, proceed to step 4.

Step 2

If the top-up most recently paid before the refund was paid was equal to or more than the refund, allocate the whole of the refund to that top-up. Otherwise, allocate a portion of the refund in the amount of that top-up to that top-up and proceed to step 3 in respect of the remaining portion.

Step 3

Repeat step 2 until all of the refund has been allocated or there is no earlier top-up. For that purpose, the reference in step 2 to the top-up most recently paid is to the top-up most recently paid before the last top-up in respect of which step 2 applied and the reference to the refund is to the portion of the refund not yet allocated.

Step 4

Allocate any portion of the refund that is not allocated to a top-up, or, if no top-ups were paid after the last licence was taken out and before the refund was paid, the whole refund, to the last licence.

Step 5

Divide the refund, or as the case may be, each portion of the refund, by –

- (a) if the refund or portion is allocated to a top-up, the per-mile rate for the vehicle at the time the top-up to which the refund or portion is allocated was paid (expressed in pounds);
- (b) if the refund or portion is allocated to the last licence, the per-mile rate for the vehicle at the time the last licence was taken out (expressed in pounds).

Step 6

If the refund is allocated in portions, add together the results of step 5 for each portion.

Step 7

Multiply the result of step 5, or, as the case may be, step 6, by the current per-mile rate for the vehicle.”

Licences of eVED vehicles always capable of being taken out for 6 months

- 5 In section 3 (duration of licences), in subsection (2) –
- (a) omit the “or” at the end of paragraph (a);
 - (b) at the end of paragraph (b) insert “, or
 - (c) the vehicle is an eVED vehicle.”

Surcharges for licences of eVED vehicles

- 6 (1) Section 4 (amount of duty) is amended as follows.
- (2) After subsection (2A) insert –
- “(2B) Where a vehicle licence for an eVED vehicle is taken out for a period of 12 months, vehicle excise duty is to be paid on the licence (in addition to any amount required to be paid under subsection (1)) –
- (a) in the amount of the eVED charge, or
 - (b) if the duty is to be paid by more than one instalment pursuant to an agreement under section 19B, in an amount equal to 105% of the eVED charge.
- (2C) Where a vehicle licence for an eVED vehicle is taken out for a period of 6 months, vehicle excise duty is to be paid on the licence (in addition to any amount required to be paid under subsection (2)) –
- (a) in an amount equal to 110% of the eVED charge, or

- (b) if the duty is to be paid by direct debit pursuant to an agreement under section 19B, in an amount equal to 105% of the eVED charge.”
- (3) In subsection (4) –
 - (a) the words “as may be specified in the order” become paragraph (a);
 - (b) at the end of that paragraph insert “, and
 - (b) in the case of an eVED vehicle, in the amount of the eVED charge plus any additional amount as may be specified in the order (which may specify an amount by reference to a percentage of the eVED charge or in another way).”

Early termination of licences of eVED vehicles: rebates etc

- 7 (1) Section 19 (rebates) is amended as follows.
- (2) In subsection (3) –
 - (a) omit the “or” at the end of paragraph (f);
 - (b) after paragraph (g) insert –
 - “(ga) the vehicle is an eVED vehicle, it would not be possible to make or provide a required mileage record for the vehicle were one required, and the Secretary of State has been notified of that by the relevant person,
 - (gb) the vehicle is an eVED vehicle and required mileage record regulations require the licence to cease to be in force (due to a failure in relation to required mileage records), or”.
- (3) In subsection (3A), for “and (3C)” substitute “to (3E)”.
- (4) After subsection (3D) insert –

“(3E) If the vehicle is an eVED vehicle, the relevant amount does not include any amount paid or payable by virtue of section 6B or 6C, but –

 - (a) see section 19ZA where the rebate condition in question is that in subsection (3)(a), (b) or (g), or the rebate condition in question is that in subsection (3)(f) and the subsequent owner of the vehicle is not subject to vehicle excise duty in respect of the vehicle, and it would be possible to make or provide a required mileage record for the vehicle were one required, and
 - (b) see section 19ZB where the rebate condition in question is that in subsection (3)(ga) (that is, it would not be possible to make or provide a required mileage record for the vehicle were one required).”
- (5) In subsection (4) –

- (a) after “(3)” insert “, and in sections 19ZA and 19ZB,”;
- (b) the words from ““the relevant person” to the end become paragraph (a);
- (c) after that paragraph insert—
 - “(b) “required mileage record regulations” means regulations under section 44A of the Road Traffic Act 1988 or Article 60A of the Road Traffic (Northern Ireland) Order 1995 (S.I. 1995/2994 (N.I. 18)).”

8 After section 19 insert—

“19ZA eVED vehicles: rebates etc where required mileage record possible

- (1) Subsection (2) applies if—
 - (a) a vehicle licence is in force in respect of an eVED vehicle,
 - (b) either—
 - (i) the rebate condition in section 19(3)(a), (b) or (g) is met in relation to the vehicle (that is, the vehicle has been stolen, destroyed or exported and the Secretary of State has been notified of that by the relevant person), or
 - (ii) the rebate condition in section 19(3)(f) is met in relation to the vehicle (that is, the vehicle has been sold or disposed of and the prescribed particulars have been furnished in relation to it) and the subsequent owner of the vehicle is not subject to vehicle excise duty in respect of the vehicle,
 - (c) it would be possible to make and provide a required mileage record for the vehicle were one required, and
 - (d) the rebate condition in section 19(3)(gb) is not met in relation to the vehicle (that is, required mileage record regulations do not require the licence to cease to be in force due to a failure in relation to required mileage records).
- (2) If the credit amount is—
 - (a) more than zero, the relevant person is entitled to receive (by way of rebate of vehicle excise duty) that amount from the Secretary of State;
 - (b) less than zero, the relevant person is required to pay vehicle excise duty in that amount (expressed as a positive number).
- (3) For the purposes of this section, the “credit amount” is the amount determined by—
 - (a) adding together the amounts that, under sections 6B and 6D, would be—
 - (i) the actual mileage adjustment amount,
 - (ii) any top-up amount,
 - (iii) any refund amount,

- (iv) any carry-over amount, and
 - (v) any residual unpaid amount,
- if references in those sections to an earlier vehicle licence were references to the licence in force when the rebate condition was met and references to a new licence were to the notification given under section 19(3)(a), (b) or (g) or the furnishing of the particulars under section 19(3)(f), and
- (b) expressing a result that is less than zero as a positive number and a result that is more than zero as a negative number.
- (4) The Secretary of State must give the relevant person a notice of a requirement to pay an amount under subsection (2)(b).
 - (5) If the Secretary of State gives a notice under subsection (4), the amount is recoverable as a debt payable to the Crown.

19ZB eVED vehicles: rebates etc where required mileage record not possible

- (1) Subsection (2) applies if—
 - (a) the rebate condition in section 19(3)(ga) is met in relation to a vehicle in respect of which a vehicle licence is in force (that is, the vehicle is an eVED vehicle, it would not be possible to make or provide a required mileage record for the vehicle were one required and the Secretary of State has been notified of that by the relevant person), and
 - (b) the rebate condition in section 19(3)(gb) is not met in relation to the vehicle (that is, required mileage record regulations do not require the licence to cease to be in force due to a failure in relation to required mileage records).
- (2) If the deemed credit amount is—
 - (a) more than zero, the relevant person is entitled to receive (by way of rebate of vehicle excise duty) that amount from the Secretary of State;
 - (b) less than zero, the relevant person is required to pay vehicle excise duty in that amount (expressed as a positive number).
- (3) Subject to subsection (4), the “deemed credit amount” is to be determined by taking the following steps—

Step 1

Determine what the eVED charge for the licence was.

Step 2

Multiply an amount equal to one-twelfth of the estimated mileage for the licence (see section 6B(4)) by each complete month of the period of the currency of the licence which is unexpired when the rebate condition is satisfied. This is the “residual mileage”.

Step 3

If the period for which the licence was taken out is not 12 months, divide the result of step 2 by the amount given by dividing the length of the period for which the vehicle was taken out (to the nearest month) by 12. This is the “adjusted residual mileage”.

Step 4

Multiply the residual mileage, or, if the period for which the licence was taken out is not 12 months, the adjusted residual mileage, by the per-mile rate for the vehicle. This is the “rebate amount”.

Step 5

Subtract the rebate amount from the eVED charge for the licence.

Step 6

Add to the result of step 5 any amount that, under sections 6B and 6D, would be a top-up amount, a refund amount, a carry-over amount or a residual unpaid amount if those sections were modified as set out in subsection (6)(a) and (b).

Step 7

Where the result of step 6 is a negative number, express it as a positive number. Where the result of step 6 is a negative number, express it as a positive number.

- (4) If the Secretary of State considers that it is possible to obtain a reasonable estimate of the number of miles for which the vehicle was driven in the estimate period, the deemed credit amount is instead the estimated credit amount.
- (5) The “estimated credit amount” is the amount determined by—
 - (a) adding together the amounts that, under sections 6B and 6D, would be—
 - (i) the actual mileage adjustment amount,
 - (ii) any top-up amount,
 - (iii) any refund amount,
 - (iv) any carry-over amount, and
 - (v) any residual unpaid amount,if those sections were modified as set out in subsection (6), and
 - (b) expressing a result that is less than zero as a positive number and a result that is more than zero as a negative number.
- (6) The modifications are—
 - (a) references to an earlier vehicle licence are to be read as references to the licence in force when the rebate condition was met;
 - (b) references to a new licence are to be read as references to the notification given under section 19(3)(ga);

- (c) the reference in section 6B(6)(a) to the number of miles for which the vehicle was driven between the assessment date for the last licence and the assessment date for the new licence is to be read as a reference to the number of miles estimated by the Secretary of State as the number of miles for which the vehicle was driven in the estimate period.
- (7) The “estimate period” is the period –
 - (a) beginning with the assessment date for the licence (see section 6B(7)), and
 - (b) ending with the date on which notification was given under section 19(3)(ga).
- (8) The Secretary of State must give the relevant person a notice of a requirement to pay an amount under subsection (2)(b).
- (9) If the Secretary of State gives a notice under subsection (8), the amount is recoverable as a debt payable to the Crown.”

9 After section 43B insert –

“43BA Failure to pay duty required under section 19ZA or 19ZB

- (1) A person is guilty of an offence if –
 - (a) the person is given notice under section 19ZA(4) or 19ZB(8) (rebates etc in relation to eVED vehicles) of a requirement to pay an amount of vehicle excise duty under that section, and
 - (b) the person fails to comply with the requirement.
- (2) A person guilty of an offence under subsection (1) is liable on summary conviction to an excise penalty of –
 - (a) level 3 on the standard scale, or
 - (b) five times the amount of the vehicle excise duty chargeable in respect of using or keeping the vehicle on a public road, whichever is the greater.
- (3) The amount of the vehicle excise duty chargeable in respect of a vehicle is to be taken for the purposes of subsection (2)(b) to be an amount equal to –
 - (a) the annual rate of duty applicable to the vehicle at the date on which the offence was committed, plus
 - (b) the per-mile rate for the vehicle at the date on which the offence was committed multiplied by 8000.
- (4) In the case of a conviction for a continuing offence, the offence is to be taken for the purposes of subsection (3) to have been committed on the date or latest date to which the conviction relates.”

Offence of providing false or misleading declarations and information in applications for refunds and rebates

- 10 In section 45 (offences relating to false or misleading declarations and information), in subsection (1), after paragraph (a) insert—
- “(aa) an application for a refund under section 6C(4),
 - (ab) an application for a rebate under section 19ZA or 19ZB,”.

Penalties for existing offences adjusted for eVED vehicles

- 11 In section 29 (penalty for using or keeping unlicensed vehicle), in subsection (6)—
- (a) the words from “the annual rate of duty” to the end become paragraph (a);
 - (b) at the end of that paragraph insert “, plus
 - (b) if the vehicle is an eVED vehicle, the per-mile rate for the vehicle at the date on which the offence was committed multiplied by 8000.”
- 12 In section 31C (penalties for offences under section 31A), in subsection (4)—
- (a) the words from “the annual rate of duty” to the end become paragraph (a);
 - (b) at the end of that paragraph insert “, plus
 - (b) if the vehicle is an eVED vehicle, the per-mile rate for the vehicle at the date on which the offence was committed multiplied by 8000.”
- 13 In section 34 (trade licences: penalties), in subsection (3)—
- (a) the words from “the annual rate of duty” to the end become paragraph (a);
 - (b) at the end of that paragraph insert “, plus
 - (b) if the vehicle is an eVED vehicle, the per-mile rate for the vehicle at the date on which the offence was committed multiplied by 8000.”
- 14 (1) Section 35A (failed payments) is amended as follows.
- (2) In subsection (2), in paragraph (b)—
- (a) the words from “the annual rate of duty” to the end become sub-paragraph (i);
 - (b) at the end of that sub-paragraph insert “, plus
 - (ii) if the vehicle is an eVED vehicle, the per-mile rate for the vehicle at the beginning of the relevant period multiplied by 8000.”
- (3) In subsection (6), for “subsection” substitute “subsections (2)(b)(ii) and”.

- 15 In Schedule 2A (immobilisation, removal and disposal of vehicles), in paragraph 6 (offences relating to vouchers), in sub-paragraph (2)(b) –
- (a) the words from “the annual rate of duty” to the end become sub-paragraph (i);
 - (b) at the end of that sub-paragraph insert “, plus
 - (ii) if the vehicle is an eVED vehicle, the per-mile rate for the vehicle at the beginning of the relevant period multiplied by 8000.”

Definitions

- 16 (1) Section 62 (definitions) is amended as follows.
- (2) In subsection (1), at the appropriate places insert –
- ““eVED charge” is to be construed in accordance with section 6B,”;
 - ““eVED vehicle” is to be construed in accordance with section 6A,”;
 - ““per-mile rate” is to be construed in accordance with section 6B(5),”;
 - ““required mileage record” –
 - (a) in relation to England and Wales and Scotland, has the meaning given by section 44A(1) of the Road Traffic Act 1988, and
 - (b) in relation to Northern Ireland, has the meaning given by Article 60A of the Road Traffic (Northern Ireland) Order 1995,”.
- (3) After subsection (2) insert –
- “(3) For the purposes of this Act a reference to a number of miles for which a vehicle is driven is a reference to the number of whole miles for which the vehicle is driven (and accordingly does not include any fraction of a mile above that number).”

PART 2

AMENDMENTS TO ROAD TRAFFIC LEGISLATION

Road Traffic Act 1988

- 17 Part 2 of the Road Traffic Act 1988 (construction and use of vehicles and equipment) is amended in accordance with paragraphs 18 to 30.
- 18 After section 41D insert –
- “41E Breach of requirements as to relevant odometers etc**
- (1) A person is guilty of an offence if the person –
 - (a) contravenes or fails to comply with a construction and use requirement as to a relevant odometer;

- (b) uses on a road a vehicle which does not comply with such a requirement, or causes or permits a vehicle to be so used;
 - (c) changes a record made by a relevant odometer (whether or not a required mileage record) without a good reason;
 - (d) procures the changing of a record made by a relevant odometer (whether or not a required mileage record) without a good reason;
 - (e) possesses a tampering product;
 - (f) advertises a tampering product to another person;
 - (g) supplies a tampering product to another person;
 - (h) installs a tampering product on a vehicle or a relevant odometer.
- (2) “Relevant odometer” means a product (including software) fitted, or capable of being fitted, to an eVED vehicle in a case where, if the product is functioning as intended by its manufacturer, a person using the product is capable of making, and providing to the Secretary of State, a required mileage record.
- (3) “eVED vehicle” has the same meaning as in section 6A of the Vehicle Excise and Registration Act 1994.
- (4) A person changes a record made by a relevant odometer if the person takes steps to change what the record made by the odometer would otherwise be.
- (5) “Tampering product” means a product (including software) one of whose main purposes is to change a record made by a relevant odometer so that the record made by the odometer is different to the record that would be made if the product were functioning as intended by its manufacturer.”
- 19 In section 42 (breach of other construction and use requirements), in paragraph (a), for “or 41B(1)(a) or 41D” substitute “, 41B(1)(a), 41D or 41E(1)(a)”.
- 20 In section 43 (temporary exemption from application of regulations under section 41), in subsection (4) –
- (a) omit the “or” at the end of paragraph (a);
 - (b) at the end of paragraph (b) insert “, or
 - (c) regulations requiring an eVED vehicle to be fitted with a relevant odometer.”
- 21 After section 44 insert –

“eVED vehicles: required mileage records

44A eVED vehicles: required mileage records

- (1) The Secretary of State may by regulations require, or allow the Secretary of State to require by direction, a person to make, or

provide to the Secretary of State, a record of how many miles an eVED vehicle has been driven (a “required mileage record”).

- (2) A required mileage record is to be made or provided (as the case may be) in the manner specified in the regulations or in the direction.
- (3) The regulations may require, or allow the Secretary of State to require by direction, a person to notify the Secretary of State, in the manner specified in the regulations or in the direction, if it would not be possible to make or provide a required mileage record were one required.
- (4) The regulations may make provision about the consequences of a failure to make or provide a required mileage record, or a failure to notify the Secretary of State that it would not be possible to make or provide one, including—
 - (a) that such a failure is an offence;
 - (b) that such a failure results in a licence in respect of the vehicle under the Vehicle Excise and Registration Act 1994 ceasing to be in force.
- (5) If the regulations provide that such a failure is an offence—
 - (a) the regulations may provide only for summary conviction;
 - (b) the regulations may provide only that a person guilty of such an offence is liable to a fine (and not imprisonment);
 - (c) the regulations may amend Part 1 of Schedule 2 to the Road Traffic Offenders Act 1988 (prosecution and punishment of offences under the Traffic Acts).
- (6) The regulations may provide, subject to any exceptions provided for in the regulations—
 - (a) that a required mileage record is conclusive evidence of how many miles the vehicle has been driven for the purposes of the Vehicle Excise and Registration Act 1994, and
 - (b) that, accordingly, the amount of vehicle excise duty charged under that Act may not be challenged on the grounds that the vehicle has been driven for a different number of miles than is determined by a required mileage record.
- (7) The regulations may require the Secretary of State to pay a fee of an amount specified in the regulations, to a person of a description specified in the regulations, as a condition of that person being required to comply with the regulations.”

22 For the heading before section 68 substitute “Inspection of certain vehicles”.

23 After section 68 insert –

“68A Inspection of eVED vehicles

- (1) A vehicle examiner or an authorised constable may exercise, or authorise another person to exercise, any of the powers in subsection (2) in relation to an eVED vehicle if the examiner or constable suspects that an offence has been committed in relation to that vehicle under –
 - (a) section 41E (offences relating to relevant odometers), or
 - (b) regulations under section 44A (required mileage records), where they provide for an offence.
- (2) The powers are –
 - (a) to enter any premises on which the examiner or constable has reason to believe that the vehicle is kept;
 - (b) to inspect the vehicle;
 - (c) to test the vehicle;
 - (d) to detain the vehicle for such time as is required to inspect or test it or to move the vehicle to a place where an inspection or test can be carried out;
 - (e) to drive the vehicle for the purposes of inspecting or testing it or to move the vehicle to a place where an inspection or test can be carried out;
 - (f) to require a relevant person to move the vehicle to a place where an inspection or test can be carried out;
 - (g) to require a relevant person to remain with the vehicle while the vehicle is being inspected or tested.
- (3) The Secretary of State may by regulations specify conditions that must be met in order for a vehicle examiner or an authorised constable to exercise, or authorise the exercise of, a power in subsection (2).
- (4) A person is guilty of an offence if the person –
 - (a) intentionally obstructs a vehicle examiner or an authorised constable in the exercise of any of the powers in subsection (2);
 - (b) is a relevant person in relation to an eVED vehicle and refuses or neglects to comply with a requirement made under the power in subsection (2)(f) or (g).
- (5) In this section –
 - (a) “authorised constable” means a constable authorised to act for the purposes of this section by or on behalf of a chief officer of police;
 - (b) “relevant person”, in relation to a vehicle, means –
 - (i) a person in charge of the vehicle, or

- (ii) the person in whose name the vehicle is registered under the Vehicle Excise and Registration Act 1994.”

24 In section 69 (power to prohibit driving of unfit vehicles), in subsection (1), in the words before paragraph (a), after “68” insert “, 68A”.

25 After section 69 insert –

“69ZA Power to prohibit driving of eVED vehicles

- (1) If, on any inspection of an eVED vehicle under section 41, 45, 49, 61, 67, 68, 68A or 77, it appears to a vehicle examiner or authorised constable that the vehicle has a faulty odometer, the examiner or constable may prohibit the driving of the vehicle on a road –
 - (a) absolutely, or
 - (b) for one or more specified purposes, or
 - (c) except for one or more specified purposes.
- (2) An eVED vehicle has a faulty odometer if, owing to –
 - (a) any defects in a relevant odometer required to be fitted to the vehicle by regulations under section 41, or
 - (b) the use of a tampering product,
 it is, or is likely to become, not possible to make or provide a required mileage record in respect of the vehicle were one required.
- (3) A prohibition under this section –
 - (a) comes into force as soon as the vehicle examiner or authorised constable gives a prohibition notice to the person in charge of the vehicle at the time of the inspection;
 - (b) continues in force until the prohibition is removed under section 72.
- (4) A “prohibition notice” is a notice in writing –
 - (a) specifying the reasons why it appears to the examiner or constable that the vehicle has a faulty odometer;
 - (b) stating whether the prohibition is on –
 - (i) all driving of the vehicle,
 - (ii) driving it for one or more specified purposes, or
 - (iii) driving it except for one or more specified purposes, and, where applicable, specifying the purpose or purposes in question;
 - (c) stating that the prohibition is to come into force immediately.
- (5) If a prohibition under this section is in force, a vehicle examiner or authorised constable (whether or not the examiner or constable who gave the prohibition notice) may –
 - (a) grant an exemption in writing for the use of the vehicle in such manner, subject to such conditions and for such purpose as may be specified in the exemption;

- (b) by endorsement on the notice vary the terms of the notice.
- (6) In this section “authorised constable” means a constable authorised to act for the purposes of this section by or on behalf of a chief officer of police.”
- 26 (1) Section 69A (prohibitions conditional on inspection etc) is amended as follows.
- (2) In subsection (1), after “69” insert “or 69ZA”.
- (3) In subsection (4), for the words from “regulations” to the end substitute “section 72”.
- 27 In section 71 (unfit and overloaded vehicles: offences), in subsection (1)(a), after “69” insert “, 69ZA”.
- 28 In section 72 (removal of prohibitions), in subsection (1) –
- (a) the words from “a prohibition” to the end become paragraph (a);
- (b) after that paragraph insert –
- “(b) a prohibition under section 69ZA may be removed by any vehicle examiner or authorised constable if the examiner or constable is satisfied that the vehicle does not have a faulty odometer.”
- 29 (1) Section 73 (provisions supplementary to sections 69 to 72) is amended as follows.
- (2) In subsection (1A), in the words before paragraph (a), after “69(6)” insert “, 69ZA(3)(a)”.
- (3) In subsection (1B), after “69(6)” insert “, 69ZA(3)(a)”.
- (4) In subsection (1C)(a), after “69(6)” insert “, 69ZA(3)(a)”.
- 30 In section 86 (index), at the appropriate places insert –
- | | |
|--------------------------|------------------|
| “eVED vehicle | Section 41E(3)”; |
| “Relevant odometer | Section 41E(2)”; |
| “Required mileage record | Section 44A(1)”; |
| “Tampering product | Section 41E(5)”. |

Road Traffic Offenders Act 1988

- 31 In Part 1 of Schedule 2 to the Road Traffic Offenders Act 1988 (prosecution and punishment of offences under the Traffic Acts), in the table headed “Offences under the Road Traffic Act 1988” –

(a) at the appropriate places insert—

“RTA section 41E(1)(a) or (b)	Breach of requirements as to relevant odometers.	Summarily.	Level 4 on the standard scale.
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RTA section 41E(1)(c) or (d)	Changing records made by relevant odometer.	Summarily.	(a) Level 4 on the standard scale if committed by an individual. (b) Level 5 on the standard scale in any other case.
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RTA section 41E(1)(e), (f), (g) or (h)	Offences relating to tampering products.	Summarily.	Level 5 on the standard scale.”;
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“RTA section 68A	Obstructing inspection etc of eVED vehicle or failing to comply with requirement to take eVED vehicle for inspection or to remain with vehicle during inspection.	Summarily.	The same punishment as would apply if the person committing the offence committed the offence the examiner or constable requiring the inspection suspected had been committed (whether or not it was in fact committed).”;
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(b) in the entry for section 71 of the Road Traffic Act 1988, after “unfit for service,” insert “driving etc eVED vehicle in contravention of prohibition on driving it due to faulty odometer,”.

Road Traffic (Northern Ireland) Order 1995

32 Part 3 of the Road Traffic (Northern Ireland) Order 1995 (S.I. 1995/2994 (N.I. 18)) (construction and use of vehicles and equipment) is amended in accordance with paragraphs 33 to 44.

- 33 In Article 53 (interpretation), at the appropriate places insert –
- ““eVED vehicle” has the meaning given in section 6A of the Vehicle Excise and Registration Act 1994;”;
- ““relevant odometer” has the meaning given in Article 57B(2);”;
- ““required mileage record” has the meaning given in Article 60A(1);”;
- ““tampering product” has the meaning given in Article 57B(4);”.

- 34 After Article 57A insert –

“Breach of requirements as to relevant odometers etc

57B.—(1) A person is guilty of an offence if the person –

- (a) contravenes or fails to comply with a construction and use requirement as to a relevant odometer;
- (b) uses on a road a vehicle which does not comply with such a requirement, or causes or permits a vehicle to be so used;
- (c) changes a record made by a relevant odometer (whether or not a required mileage record) without a good reason;
- (d) procures the changing of a record made by a relevant odometer (whether or not a required mileage record) without a good reason;
- (e) possesses a tampering product;
- (f) advertises a tampering product to another person;
- (g) supplies a tampering product to another person;
- (h) installs a tampering product on a vehicle or a relevant odometer.

(2) “Relevant odometer” means a product (including software) fitted, or capable of being fitted, to an eVED vehicle in a case where, if the product is functioning as intended by its manufacturer, a person using the product is capable of making, and providing to the Department, a required mileage record.

(3) A person changes a record made by a relevant odometer if the person takes steps to change what the record made by the odometer would otherwise be.

(4) “Tampering product” means a product (including software) one of whose main purposes is to change a record made by a relevant odometer so that the record made by the odometer is different to the record that would be made if the product were functioning as intended by its manufacturer.”

- 35 In Article 58 (breach of other construction and use requirements), for “or 57(1)(a)” substitute “57(1)(a) or 57B(1)(a)”.
- 36 In Article 59 (temporary exemption from application of regulations under Article 55), in paragraph (4) –
- (a) omit the “or” at the end of sub-paragraph (a);

- (b) at the end of sub-paragraph (b) insert “; or
- (c) regulations requiring an eVED vehicle to be fitted with a relevant odometer.”

37 After Article 60 insert—

“eVED vehicles: required mileage records

eVED vehicles: required mileage records

60A.—(1) The Department may by regulations require, or allow the Department to require by direction, a person to make, or provide to the Department, a record of how many miles an eVED vehicle has been driven (a “required mileage record”).

(2) A required mileage record is to be made or provided (as the case may be) in the manner specified in the regulations or in the direction.

(3) The regulations may require, or allow the Department to require by direction, a person to notify the Department, in the manner specified in the regulations or in the direction, if it would not be possible to make or provide a required mileage record were one required.

(4) The regulations may make provision about the consequences of a failure to make or provide a required mileage record, or a failure to notify the Department that it would not be possible to make or provide one, including—

- (a) that such a failure is an offence;
- (b) that such a failure results in a licence in respect of the vehicle under the Vehicle Excise and Registration Act 1994 ceasing to be in force.

(5) If the regulations provide that such a failure is an offence—

- (a) the regulations may provide only for summary conviction;
- (b) the regulations may provide only that a person guilty of such an offence is liable to a fine (and not imprisonment);
- (c) the regulations may amend Part 1 of Schedule 1 to the Offenders Order (prosecution and punishment of offences under the Road Traffic Orders).

(6) The regulations may provide, subject to any exceptions provided for in the regulations—

- (a) that a required mileage record is conclusive evidence of how many miles the vehicle has been driven for the purposes of the Vehicle Excise and Registration Act 1994, and
- (b) that, accordingly, the amount of vehicle excise duty charged under that Act may not be challenged on the grounds that the vehicle has been driven for a different number of miles than is determined by a required mileage record.

(7) The regulations may require the Department to pay a fee of an amount specified in the regulations, to a person of a description specified in the

regulations, as a condition of that person being required to comply with the regulations.”

38 In Article 76 (inspection of vehicles), in the heading, after “vehicles” insert
“: general”.

39 After Article 76 insert—

“Inspection of eVED vehicles

76A.—(1) A vehicle examiner or an authorised constable may exercise, or authorise another person to exercise, any of the powers in paragraph (2) in relation to an eVED vehicle if the examiner or constable suspects that an offence has been committed in relation to that vehicle under—

- (a) Article 57B (offences relating to relevant odometers), or
- (b) regulations under Article 60A (required mileage records), where they provide for an offence.

(2) The powers are—

- (a) to enter any premises on which the examiner or constable has reason to believe that the vehicle is kept;
- (b) to inspect the vehicle;
- (c) to test the vehicle;
- (d) to detain the vehicle for such time as is required to inspect or test it or to move the vehicle to a place where an inspection or test can be carried out;
- (e) to drive the vehicle for the purposes of inspecting or testing it or to move the vehicle to a place where an inspection or test can be carried out;
- (f) to require a relevant person to move the vehicle to a place where an inspection or test can be carried out;
- (g) to require a relevant person in charge of the vehicle to remain with the vehicle while the vehicle is being inspected or tested.

(3) The Department may by regulations specify conditions that must be met in order for a vehicle examiner or an authorised constable to exercise, or authorise the exercise of, a power in paragraph (2).

(4) A person is guilty of an offence if the person—

- (a) intentionally obstructs a vehicle examiner or an authorised constable in the exercise of any of the powers in paragraph (2);
- (b) is a relevant person in relation to an eVED vehicle and refuses or neglects to comply with a requirement made under the power in paragraph (2)(f) or (g).

(5) In this Article—

- (a) “authorised constable” means a constable authorised to act for the purposes of this Article by or on behalf of the Chief Constable;

- (b) “relevant person”, in relation to a vehicle, means –
 - (i) a person in charge of the vehicle, or
 - (ii) the person in whose name the vehicle is registered under the Vehicle Excise and Registration Act 1994.”

40 In Article 77 (power to prohibit driving of unfit vehicles), in paragraph (1),
 in the words before paragraph (a), after “76” insert “, 76A”.

41 After Article 77 insert –

“Power to prohibit driving of eVED vehicle

77A. – (1) If, on any inspection of an eVED vehicle under Article 55, 61, 65, 75, 76, 76A or 85 of this Order or under Article 31D of the Order of 1981, it appears to a vehicle examiner or authorised constable that the vehicle has a faulty odometer, the examiner or constable may prohibit the driving of the vehicle on a road –

- (a) absolutely, or
- (b) for one or more specified purposes, or
- (c) except for one or more specified purposes.

(2) An eVED vehicle has a faulty odometer if, owing to –

- (a) any defects in a relevant odometer required to be fitted to the vehicle by regulations under Article 55, or
- (b) the use of a tampering product,

it is, or is likely to become, not possible to make or provide a required mileage record in respect of the vehicle were one required.

(3) A prohibition under this Article –

- (a) comes into force as soon as the vehicle examiner or authorised constable gives a prohibition notice to the person in charge of the vehicle at the time of the inspection;
- (b) continues in force until the prohibition is removed under Article 81.

(4) A “prohibition notice” is notice in writing –

- (a) specifying the reasons why it appears to the examiner or constable that the vehicle has a faulty odometer;
- (b) stating whether the prohibition is on –
 - (i) all driving of the vehicle,
 - (ii) driving it for one or more specified purposes, or
 - (iii) driving it except for one or more specified purposes,
 and, where applicable, specifying the purpose or purposes in question;
- (c) stating that the prohibition is to come into force immediately.

(5) If a prohibition under this Article is in force, a vehicle examiner or authorised constable (whether or not the examiner or constable who gave the prohibition notice) may –

- (a) grant an exemption in writing for the use of the vehicle in such manner, subject to such conditions and for such purpose as may be specified in the exemption;
- (b) by endorsement on the notice vary the terms of the notice.

(6) In this section “authorised constable” means a constable authorised to act for the purposes of this Article by or on behalf of the Chief Constable.”

42 (1) Article 78 (prohibitions conditional on inspection etc) is amended as follows.

(2) In paragraph (1), after “77” insert “or 77A”.

(3) In paragraph (4), for the words from “regulations” to the end substitute “Article 81”.

43 In Article 80 (unfit and overloaded vehicles: offences), in paragraph (1)(a), after “77” insert “, 77A”.

44 In Article 81 (removal of prohibitions), in paragraph (1) –

- (a) the words from “a prohibition” to the end become sub-paragraph (a);
- (b) after that sub-paragraph insert –

“(b) a prohibition under Article 77A may be removed by any vehicle examiner or authorised constable if the examiner or constable is satisfied that the vehicle does not have a faulty odometer.”

Road Traffic Offenders (Northern Ireland) Order 1996

45 In Part 1 of Schedule 1 to the Road Traffic Offenders (Northern Ireland) Order 1996 (S.I. 1996/1320 (N.I. 10)) (prosecution and punishment of offences under the Road Traffic Orders), in the table headed “Offences under the Order of 1995” –

- (a) at the appropriate places insert –

“Article 57B(1)(a) or (b)	Breach of requirements as to relevant odometers.	Summarily.	Level 4 on the standard scale.
Article 57B(1)(c) or (d)	Changing records made by relevant odometer.	Summarily.	(a) Level 4 on the standard scale if committed by an individual. (b) Level 5 on the standard

			scale in any other case.
Article 57B(1)(e), (f), (g) or (h)	Offences relating to tampering products.	Summarily.	Level 5 on the standard scale.”;
“Article 76A	Obstructing inspection etc of eVED vehicle or failing to comply with requirement to take eVED for inspection or to remain with vehicle during inspection.	Summarily.	The same punishment as would apply if the person committing the offence committed the offence the examiner or constable requiring the inspection suspected had been committed (whether or not it was in fact committed).”;

- (b) in the entry for Article 80 of the Road Traffic (Northern Ireland) Order 1995, after “unfit for service,” insert “driving etc eVED vehicle in contravention of prohibition on driving it due to faulty odometer”.

Road Safety Act 2006

- 46 (1) Schedule 4 to the Road Safety Act 2006 (prohibition on driving: immobilisation, removal and disposal of vehicles) is amended as follows.
- (2) In paragraph 1(c), after “69” insert “, 69ZA”.
- (3) In paragraph 10(2), in the words before paragraph (a), after “69” insert “or 69ZA”.

PART 3

COMMENCEMENT AND TRANSITIONAL PROVISION

- 47 (1) The amendments made by Part 1 of this Schedule have effect in relation to licences taken out under VERA 1994 on or after 1 April 2028.
- (2) Part 2 of this Schedule comes into force on such day or days as the Secretary of State may by regulations made by statutory instrument appoint.
- (3) Regulations under sub-paragraph (2) –
- (a) may make transitional or saving provision in connection with the coming into force of any provision;
- (b) may make different provision for different purposes.

- 48 For the purposes of section 6B of VERA 1994 (as inserted by paragraph 4) only, the first licence taken out for a vehicle on or after 1 April 2028 is to be treated as the first licence for the vehicle (where it would not otherwise be the first licence for the vehicle).
- 49 (1) Sub-paragraph (2) applies where –
- (a) more than one vehicle licence or nil licence is taken out for an eVED vehicle for a period beginning during the period beginning with 1 April 2027 and ending with 31 March 2028,
 - (b) the combined length of the periods for which those licences are taken out (whether or not any of those licences ceases to be in force before the end of the period for which it is taken out) is more than 12 months, and
 - (c) one of those licences is in force at the beginning of 1 April 2028.
- (2) The Secretary of State may give a notice (a “payment notice”) to the person who took out the licence in force at the beginning of 1 April 2028 requiring that person to pay an amount of vehicle excise duty.
- (3) The amount payable is –
- (a) £20 for a zero-emission vehicle;
 - (b) £10 for a plug-in hybrid vehicle,
- multiplied by the number of complete months for which the licence is or was in force after 1 April 2028.
- (4) A payment notice must state –
- (a) the amount payable;
 - (b) how the amount is to be paid;
 - (c) that payment must be made within the period of 28 days beginning with the day on which the notice is given.
- (5) If payment is not made within the period of 28 days beginning with the day on which the notice is given –
- (a) the licence ceases to have effect;
 - (b) the amount payable is recoverable as a civil debt.