

Fact Card #7

BENEFIT IN KIND - CARS & VANS

CARS

Company Cars that are available for private use are deemed to be a taxable benefit. (Travel to and from work is generally considered private use.) The taxable amount is calculated based on a percentage of the Original Market Value (OMV) of the car.

Annual Business km	% of OMV
Up to 24,000	30%
24,001 - 32,000	24%
32,001 - 40,000	18%
40,001- 48,000	12%
48,001+	6%

Low Kilometre Employees

If an employee does not travel more than 24,000 kilometres annually, the cash equivalent calculated may be further reduced by 20%. To be eligible for this reduction an employee must:



Travel at least 8,000 business km's annually



Work at least 20 hours per week



Spend at least 70% of their working time away from the workplace

Exemptions

Pool Cars – car must be available and used by more than 1 employee, must not be kept regularly at, or near, employee's home and private use is minimal.

Electric Cars – car must be fully electric, i.e. not a hybrid. If provided before 9th October 2018 then there is no charge for Benefit in Kind. If provided after this date then first €50,000 of OMV is at 0%.

Electric Cars Charging at Work – no Benefit in Kind applies for employees charging electric vehicles at work. This applies to both privately owned and company owned electric vehicles.

VANS

The cash equivalent for a van with a gross laden weight of less than 3,500kg is a flat 5% of the OMV. If it has a gross laden weight greater than this then no BIK is applicable.

Exemptions

No Benefit in Kind applies where:



The employee spends at least 80% away from their place of work



The employee is required to bring the van home



The van is supplied for the purposes of work



The van is not used for private purposes

Benefit In Kind on
Cars and Vans*



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*The above information is correct as of September 2019.





Intelligo's Self Service Module allows your employees to view their Payroll and HR details in seconds. Reducing phone enquiries for basic HR and Payroll information - saving you time, money and freeing up department resources.



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