

# Fact Card #8

## 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. The OMV includes VAT and VRT. In 2021 BIK can be based on January 20 annualised business kms during COVID-19 restrictions

Business km/yr	% 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 kms 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 the OMV is less than €50k there is no BIK (full exemption). If the OMV is > than €50k there is partial BIK relief whereby the OMV is reduced by €50k.





*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 all conditions are met:

-  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\*.'



# MEGAHR SELF SERVICE

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

## INTELLIGO

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**Intelligo Fact Card (8 of 10)**

**2021 Version**

\*This information provided on this Fact Card is correct as of January 2021, however it is subject to change by governing bodies.