

Asda Money Reviews the Pros and Cons of Buying Tax Disk Without an Insurance Certificate

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It may soon be possible to obtain a vehicle licence (commonly known as a tax disc) without producing a valid motor insurance certificate. [Asda Money](#) looks at the pros and cons of such a move.

Drivers are currently required to provide proof of both their vehicle insurance and an MOT certificate when buying a tax disc.

However, if proposals outlined by government late last year are realised existing databases with details of drivers' insurance would be used to verify whether a driver was insured, allowing them to purchase a tax disc without first having to produce a valid insurance certificate or cover note.

The Government believes the move will make the process of obtaining a new tax disc quicker, cheaper and easier.

The main criticism to the plans is that the scheme may be open to fraud and lead to wider spread car insurance avoidance, with an estimated 4% of motorists in the UK already taking to the road without insurance in place. (1) Critics of the plan suggest that while some people might choose to deliberately avoid paying for car insurance, some motorists may simply forget about their car insurance when not prompted to review it every year or six months when renewing their tax disc.

The criticism came shortly after a poll revealed that almost a third (30%) of young drivers would consider giving false information in an attempt to lower their car insurance quotes. (2)

Having to produce proof of insurance may not only help deter drivers who are considering intentionally driving without insurance, it can also provide a six-monthly or annual reminder for the drivers who may have genuinely forgotten to purchase or renew their insurance.

Notes to Editors

1. <http://www.publications.parliament.uk/pa/cm201011/cmselect/cmtran/591/591.pdf>

2. Young Marmalade Poll: <http://www.thisismoney.co.uk/money/cars/article-2218046/Plans-allow-drivers-buy-tax-disc-showing-insurance-certificate-absurd-warns-AA.html>

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- A courtesy car as standard following an event that is covered by your policy
- UK Customer Service centre and your own personal claims manager
- Optional no claims discount protection when you've got 4 or more years without claims†

^ For vehicles under 12 years of age. Applies to comprehensive policy only. There is a 48 hour period after your policy starts before recoveries can commence.

† A No Claims Discount of four or more years will not be reduced provided no more than two claims occur within any five consecutive years. If three or more claims are made during the five year period, we will reduce the discount you receive.

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