

What Car? reveals the biggest car tax risers ahead of new VED rules due on 1 April

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Imminent changes to Vehicle Excise Duty (VED) mean consumers have just over a week to secure a deal on a new car before tax rates soar by up to 2475%.

Analysis by What Car? has shown that the cost of taxing a car purchased after 1 April 2017 could be up to 25 times more, with even some of the most environmentally friendly plug-in hybrids commanding sharp tax increases.

It's conventional hybrids such as the Lexus GS300h and RX450h that will be hit hardest, however. These have traditionally been an attractive option for those seeking a luxury car with small-car emissions, because under the outgoing legislation, the GS300h and RX450h cost owners as little as £40 to tax over three years. But under the new rules, that increases to £1,030.

Under the new legislation, only zero-emissions cars costing less than £40,000 will be free to tax, but buyers still have a few days to make significant savings by purchasing before the 1 April deadline, using the new What Car? [New Car Buyer Marketplace](#), which lets people compare discounts from dealers in their area.

In the case of the GS300h hybrid, the near-£1000 hike in the three-year tax bill is made up of a £150 first-year rate based on its CO2 emissions, followed by two subsequent payments of the new hybrid flat rate of £130 per year, which applies to all vehicles with emissions above 0g/km CO2.

In addition, all vehicles that cost more than £40,000 are subject to a further £310 a year charge between years two and six. As a result, three-year tax bills on the Porsche Cayenne E-Hybrid, Mitsubishi Outlander PHEV and Volvo XC90 T8 and Audi Q7 E-tron will also jump from zero to as much as £1,000.

On the up side, the Audi, Mitsubishi and Volvo remain eligible for a government grant of £2,500 thanks to their low CO2 emissions of less than 75g/km, and if buyers order before the tax hike they could save almost half as much again.

Motorists who flocked to buy one of Britain's top sellers in the first months of 2017 are also likely to have avoided a hefty tax premium and could still do so if they move quickly. Six of 2017's top 10 sellers are among the highest risers. Certain derivatives of the Vauxhall Astra, Ford Focus, Nissan Qashqai, Mercedes C-Class, Audi A3 and BMW 3-Series will command an extra tax bill of between £400 and £1,000 over three years.

What Car? editor Steve Huntingford said: "The new tax laws are designed to increase the advantage of running a zero emissions car, but they make things much more complicated and push up the price of many 'bread and butter' models. Fortunately, there are still opportunities to get a great deal.

"Buyers still have a small window to snap up a bargain before 1 April, and there are a number of grants for plug-in hybrids at their disposal. Tax aside, valuable savings can be made by using the What Car? New Car Marketplace to get the best possible price."

The latest deals can be found at www.whatcar.com/new-car-deals.

Top 10 tax increases

| Make/Model | Segment | Fuel type | Cost of tax for three years – 2016/17 | Cost of tax for three years – 2017/18 | Cost increase over three years | Percentage Change over three years |
|---|---------|---------------|---------------------------------------|---------------------------------------|--------------------------------|------------------------------------|
| Lexus RC 300h 2.5 F-Sport 2dr CVT Auto | Coupe | Petrol Hybrid | £40 | £1,030 | £990 | 2475% |
| Mercedes-Benz C250d AMG Line Premium 2dr Auto | Coupe | Diesel | £60 | £1,060 | £1,000 | 1667% |

| | | | | | |
|--|----------------------------|-----|--------|--------|-------|
| Mercedes-Ben Luxury z S300h L AMG Line 4dr Auto | Petrol Hybrid | £40 | £1,030 | £1,000 | 2475% |
| Lexus RX 450h 3.5 SE 5dr CVT Auto | Large SUV Petrol Hybrid | £40 | £1,030 | £990 | 2475% |
| Audi A6 3.0 TDI S Line 4dr S Tronic | Executive Diesel | £60 | £1,060 | £1,000 | 1667% |
| Mercedes-Ben Executive z C250d AMG Line Premium Plus 4dr 9G-Tronic | Diesel | £60 | £1,060 | £1,000 | 1667% |
| Mercedes-Ben Executive z E200d AMG Line Premium 4dr 9G-Tronic | Diesel | £60 | £1,060 | £1,000 | 1667% |
| Lexus GS300h Executive 2.5 F-Sport 4dr CVT | Petrol Hybrid | £40 | £1,030 | £990 | 2475% |
| Audi A5 2.0 TDI Sport 2dr S Tronic | Convertible Diesel | £60 | £1,060 | £1,000 | 1667% |
| Mercedes-Benz C220d AMG Line 2dr | Convertible Diesel | £60 | £1,060 | £1,000 | 1667% |

Hybrid tax increases

| Make/Model | Segment | Fuel type | Cost of tax for three years – 2016/17 | Cost of tax for three years – 2017/18 | Cost increase over three years | Percentage Change over three years** |
|--|-----------|------------------|---|---|--------------------------------------|--|
| Lexus RX 450h 3.5 SE 5dr CVT Auto | Large SUV | Petrol Hybrid | £40 | £1,030 | £990 | 2475% |
| BMW X5 xDrive40e SE 5dr Auto | Large SUV | Petrol Hybrid | £0 | £970 | £970 | N/A |
| Porsche Cayenne S E-Hybrid 5dr Tiptronic S | Large SUV | Petrol Hybrid | £0 | £895 | £895 | N/A |
| Audi Q7 3.0 TDI Quattro e-tron 5dr Tip Auto | Large SUV | Diesel Hybrid | £0 | £880 | £880 | N/A |
| Mitsubishi Outlander 2.0 PHEV 4hs 5dr Auto | Large SUV | Petrol Hybrid | £0 | £880 | £880 | N/A |
| Volvo XC90 2.0 T8 Hybrid Inscription 5dr Geartronic | Large SUV | Petrol Hybrid | £0 | £880 | £880 | N/A |

UK top sellers

| Make/Model | Type | Model's overall UK sales chart position* | Fuel | Cost of tax for three years – 2016/17 | Cost of tax for three years – 2017/18 | Cost increase over three years | % Change over three years** |
|--|-----------|---|--------|--|--|---|-----------------------------------|
| Vauxhall Astra Astra 1.0T 12V ecoFLEX Design 5dr | Hatchback | 3 | Petrol | £0 | £400 | £400 | N/A |

| | | | | | |
|---|---------------|------|--------|------|------|
| Easytronic Ford Focus Hatchback 4 | Diesel | £0 | £400 | £400 | N/A |
| FOCUS 1.5 TDCi 120 ST-Line Navigation 5dr Powershift | | | | | |
| Nissan Small SUV 5 | Diesel | £0 | £400 | £400 | N/A |
| Qashqai 1.5 dCi Acenta [Comfort Pack/Tech Pack] 5dr | | | | | |
| Mercedes-Benz C350e Sport Premium 4dr Auto | Petrol Hybrid | £0 | £895 | £895 | N/A |
| Audi A3 1.6 Hatchback 8 | Diesel | £0 | £400 | £400 | N/A |
| TDI SE 5dr S Tronic | | | | | |
| BMW 340i M Executive 10 | Petrol | £555 | £1,400 | £845 | 152% |
| Sport 5dr Step Auto [Business Media] | | | | | |
| ENDS | | | | | |

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