

Company Vehicle Mileage Rates

Please note that, with effect from 1st March 2023, the following rates will apply:
All amounts shown are per mile.

COMPANY VEHICLES

Company car mileage rates follow the HMRC Advisory Fuel Rates (AFR).

This ensures that costs incurred by our employees are covered and reimbursements are fair as the HMRC rates are determined by present fuel costs (oil prices), and will, therefore, change in the same direction depending on global fuel pricing.

The HMRC also consider MPG (miles per gallon) which can incorporate differences in road conditions, seasonal factors and vehicle efficiencies, which is a relevant factor due to technological advancements.

The rates are revised quarterly in March, June, September and December depending on the factors mentioned.

Diesel engines/Hybrid Diesel	Net	VAT	Total
Up to 1600 cc	0.108	0.022	£0.13
1601cc to 2000 cc	0.125	0.025	£0.15
Over 2000 cc	0.167	0.033	£0.20

Petrol engines/Hybrid Petrol	Net	VAT	Total
Up to 1400cc	0.108	0.022	£0.13
1401 cc to 2000 cc	0.125	0.025	£0.15
Over 2000 cc	0.192	0.038	£0.23

Liquid Petroleum Gas (LPG)	Net	VAT	Total
Up to 1400 cc	0.083	0.017	£0.10
1401cc to 2000 cc	0.092	0.018	£0.11
Over 2000 cc	0.142	0.028	£0.17

Fully Electric Car	Net	VAT	Total
Flat rate	0.075	0.015	£0.09

PRIVATE VEHICLES (Cars or Vans)

Private car mileage rates follow the HMRC Mileage Allowance Payments (MAPs).

These are higher compared to company car mileage rates, as they take into account the use of your own car for business purposes and overall running costs, such as insurance and ongoing maintenance.

If you have to take a lot of business trips and carry out a lot of business mileage, this can add strain to your car over the years, which this reimbursement per mile adequately compensates for.

We do not pay any rates for Motorcycles or Bicycles as we do not encourage their use for business purposes.

Drivers who have opted to take a cash alternative in preference to a Company Vehicle must claim business mileage at the same rate as company vehicle user.

	Net	VAT	Total
Up to 10,000 miles in the tax year	0.430	0.020	£0.45
Excess over 10,000 in tax year	0.230	0.020	£0.25

Gary Burnett
Director of Finance
GB/JR