



An Roinn Iompair
Turasóireachta agus Spóirt

Department of Transport,
Tourism and Sport

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23 March 2018

Ms Margaret Falsey
Committee Secretariat
Committee of Public Accounts
Leinster House
Dublin 2

Ref: PAC32-I-820

C&AG Report 2016

Special Report 97: Administration and Collection of Motor Tax

Dear Ms Falsey

Your letter of 14 March seeking further information of matters raised during the course of the Committee's examination of the aforementioned Report refers.

By the end of January 2018, the carbon dioxide (CO₂) emissions car fleet contained 1.2m cars, or 58.5% of all private vehicles. Just over 865,000 vehicles remain in the engine capacity category. There is a clear switch to lower emission lower tax cars with 95% (over 1.16m) of the CO₂ fleet now in the lower bands A to C, and 5% in Bands D to G. This is as intended, but in the absence of rebalancing the CO₂ rates or other measure, there will be a continuing decrease in the motor tax base as the engine capacity fleet is gradually replaced and as most of the replacement fleet is in the lowest 2 tax bands.

The specific items requested are herewith addressed.

1. Age Profile of Cars

Table 1 shows a breakdown of the age profile of private cars licenced in 2017.

This has been broken down further, with Table 1(a) showing post-July 2008 private vehicles licenced on the basis of CO₂ emissions, and Table 1(b) showing pre- 2008 vehicles licenced on the basis of engine capacity.

It should be noted that the total number of vehicles in Table 1 includes 69,129 vehicles registered between 1 January and 30 June 2008 that are taxed on engine capacity, and a number of post-2008 vehicles that are also taxed on engine capacity (EU Category N or light commercial vehicles

that are taxed privately. Motor tax legislation provides that only Category M or passenger vehicles can be taxed on the basis of CO₂).

The number of vintage vehicles taxed in 2017 was 48,930. These are not captured in Table 1 as they are taxed at a concessionary rate, rather than the private rate.

2. A breakdown of the rates of tax applying to cars with engine size of 1000 cc or greater

Table 2 and Table 3 show a breakdown of the motor tax rates for private cars based on CO₂ emissions and engine capacity respectively.

3. Tax rates broken down by half yearly, quarterly and annual transaction basis.

Table 2 and Table 3 include the amount charged on a half-yearly or quarterly basis.

In respect of payment periods, motor tax is payable on an annual, half-yearly or quarterly basis. The rates applicable for the half-yearly and quarterly options are 55.5% and 28.25% of the annual charge, respectively. These relativities have remained generally consistent since the 1960s. Each quarterly renewal of motor tax follows the same administrative procedures as the annual renewal process.

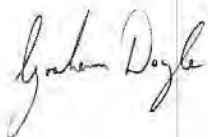
Any consideration of re-balancing of the charges for non-annual discs must take account of the fact that overheads, both direct and indirect, would exponentially increase if the change were to result in increased volumes of transactions. Aside from these costs, the loss to the Exchequer arising from the elimination of the additional charge for these options, has been estimated at just under €53m, on the basis of 2017 transactions.

4. Any extra costs that motorists pay on their motor tax per year.

No additional costs are incurred by the motorist, where a vehicle is taxed during the month of tax expiry or in the subsequent month. Arrears of motor tax are incurred where there has been a lapse of a full calendar month from the date of expiry to the month of renewal. Arrears are then charged for each month at one tenth of the annual rate. These rates are set out in Table 2 and Table 3.

Where a vehicle is taxed and the vehicle owner misplaces or inadvertently destroys the tax disc, he or she is charged €6 for a replacement disc.

Yours sincerely



Graham Doyle

Secretary General

TABLE 1. Age Profile of Vehicles

Year of First Licensing	Total
2017	120,316
2016	145,595
2015	131,166
2014	117,057
2013	103,709
2012	114,406
2011	127,289
2010	128,737
2009	92,974
2008	183,036
2007	167,314
2006	149,606
2005	133,180
2004	102,546
2003	76,410
2002	56,189
2001	37,796
2000	35,920
1990's	42,275
Pre 1990	591
Total:	2,066,112

Breakdown of Vehicles taxed Pre 2008 & Post 2008 in 2017

TABLE 1 (a) Post 2008

Private CO ₂ Vehicles by Age and CO ₂ Band 31st December 2017											
CO ₂ Band	Year First Licenced										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
Not Exceeding 120 - Band A	13,799	17,967	46,610	55,202	61,876	61,845	78,104	93,453	113,297	91,267	633,420
121 to 140 - Band B	57,147	39,672	54,997	57,582	42,304	34,226	31,524	30,359	26,371	22,979	397,161
141 to 155 - Band C	38,825	19,544	15,764	7,891	5,102	4,057	3,935	3,673	3,700	3,363	105,854
156 to 170 - Band D	10,961	9,312	6,858	3,054	1,931	1,108	1,083	1,171	765	763	37,006
171 to 190 - Band E	3,754	4,059	2,264	1,214	1,020	692	450	696	542	586	15,277
191 to 225 - Band F	1,633	1,054	815	566	505	296	441	159	123	75	5,667
226 and greater - Band G	97	136	167	121	78	41	37	41	30	23	771
Grand Total	126,216	91,744	127,475	125,630	112,816	102,265	115,574	129,552	144,828	119,056	1,195,156

Table 1 (b) Pre 2008

Private Vehicles by Age and Engine Capacity 31st December 2017															
Year First Licensed	CUBIC CENTIMETRES														
	Up to 900	901 to 1000	1001 to 1100	1101 to 1200	1201 to 1300	1301 to 1400	1401 to 1500	1501 to 1600	1601 to 1700	1701 to 1800	1801 to 1900	1901 to 2000	2001 to 2500	2501 and over	TOTAL
2007	61	6420	675	7358	13063	45044	7539	33805	327	10865	11912	19342	6858	4045	167,314
2006	70	8530	900	8050	10860	39367	6559	27977	568	8136	11880	18301	5114	3294	149,606
2005	115	7479	781	8331	8005	36305	6375	23804	849	8616	10793	15825	3695	2207	133,180
2004	129	7429	784	8709	6686	27169	3996	15397	469	7408	10828	9189	2892	1461	102,546
2003	89	7358	555	6955	5199	22487	2305	8990	348	4878	8702	6011	1578	955	76,410
2002	68	7108	39	5109	3100	17296	1766	6311	276	2092	6185	5268	1058	513	56,189
2001 & Older	457	27298	364	4910	8204	37171	2312	11526	332	3873	7504	9007	2250	1374	116,582
TOTAL	989	71,622	4,098	49,422	55,117	224,839	30,852	127,810	3,169	45,868	67,804	82,943	23,445	13,849	801,827

MOTOR TAX RATES

TABLE 2 Motor Tax rates for Private Cars based on CO₂ emissions

Motor Tax Rates for private cars registered on/after 1 July 2008						
Band	CO ₂ emissions - grams per Km	€			Arrears Monthly *	
		3 months	6 months *	12 months *		
A0	0	33	66	120	12.00	
A1	1-80g	48	94	170	17.00	
A2	More than 80g/km up to & including 100 g/km	50	99	180	18.00	
A3	more than 80g/km up to & including 110 g/km	53	105	190	19.00	
A4	More than 110g/km up to & including 120g/km	56	111	200	20.00	
B1	More than 120g/km up to & including 130g/km	76	149	270	27.00	
B2	More than 130g/km up to & including 140g/km	79	155	280	28.00	
C	More than 140g/km up to & including 155g/km	110	216	390	39.00	
D	More than 155g/km up to & including 170g/Km	161	316	570	57.00	
E	More than 170 g/Km up to & including 190g/Km	211	416	750	75.00	
F	More than 190g/km up to & including 225g/km	339	666	1200	120.00	
G	More than 225g/KM	663	1304	2350	235.00	
			* 55.5% of the annual rate	*28.25 % of the annual rate	1/10 of the annual rate	

TABLE 3

Motor Tax Rates for Private Cars based on engine capacity

Motor Tax Rates for private cars registered before 1 July 2018				
Engine Capacity CC	€			
	3 months	6 months *	12 months *	Arrears Monthly *
Under 1000	56	110	199	19.90
>1000	84	165	299	29.90
>1100	93	183	330	33.00
>1200	101	198	358	35.80
>1300	108	213	385	38.50
>1400	116	229	413	41.30
>1500	145	285	514	51.40
>1600	153	301	544	54.40
>1700	179	352	636	63.60
>1800	190	373	673	67.30
>1900	200	394	710	71.00
>2000	255	502	906	90.60
>2100	268	527	951	95.10
>2200	280	551	994	99.40
>2300	292	573	1034	103.40
>2400	305	599	1080	108.00
>2500	365	718	1294	129.40
>2600	379	746	1345	134.50
>2700	392	772	1391	139.10
>2800	407	800	1443	144.30
>2900	422	829	1494	149.40
>3000	511	1003	1809	180.90
	* 28.25% of annual rate	*55.5% of annual rate		*1/10 of annual rate
Electrical	33	66	120	12.00