



FAIR TAX MOTORHOME

ncc leisure vehicles
holiday & park homes
holiday & residential parks
leading & promoting the industry

Motorhome industry unfair road fund tax MP's drop-in session

Wednesday 5th February 2020

15:30-17:30

Room O, Portcullis House, London, SW1

On behalf of the National Caravan Council (NCC), Emma Hardy MP (Kingston Upon Hull West and Hessle) and David Davis MP (Haltemprice and Howden), we would be delighted for you to join us at the above drop-in session.

Why?

As a result of a technicality under the emission regulations, new generation motorhomes registered after 1 September 2019 are, for the purposes of Vehicle Excise Duty (VED), now taxed as a car and **the tax payable on first registration has been increased by up to 705%.**

Impact

- a motorhome is not a car and should not be taxed as such
- a motorhome is derived from a commercial base-vehicle and has hitherto been taxed as a private light/heavy goods vehicle
- there has been no formal consultation with the industry/motorhome owners on the impact
- motorhome users drive on average 31 days per year - 3,000 miles
- the motorhome sector has already suffered a fall in registrations of 7.3% in September 2019 – the month the change was applied - and a further 9.3% in November, the last month registration data is available
- a large motorhome manufacturer in the north east has already consulted on and been forced to axe a number of jobs – in the heart of motorhome manufacturing.

How can you help? The motorhome industry is calling on HM Treasury and Parliament to stop taxing new generation motorhomes as cars and to reverse the process in the forthcoming Budget process.

Representatives of the NCC and industry will be on hand to answer questions and provide further information. There will be opportunities for photographs, and to sign the 'Fair Motorhome Tax' campaign pledge.

Please RSVP to wilkinsonl@parliament.uk / malonek@parliament.uk and / or policy@thenc.org.uk

www.fairmotorhometax.org



MOTORHOME FAIR TAX

New motorhomes with a Euro 6d/2 engine registered after 1 September 2019 are no longer subject to a commercial vehicle tax band in the UK. For the purposes of Vehicle Excise Duty (VED) they are now taxed as a car and the tax payable on first registration has been **increased by 705%**.

Motorhomes are derived from commercial base vehicles and applying the car taxation system is **not an appropriate measure**.

A MOTORHOME IS NOT A CAR

A motorhome is an M₁ SA special purpose vehicle and is **derived from a commercial base vehicle** (category N). Base vehicles are constructed by commercial vehicle manufacturers and are converted into motorhomes at final stage.



Base Vehicle (Commercial Vehicle) Category N₁ or N₂



Incomplete Vehicle Category N₁ or N₂
Motorhome manufacturers buy-in commercial base vehicle



Completed Vehicle Category M₁ SA.
Motorhome manufacturers build the body and interior only

STAGE 1

STAGE 2

FINAL STAGE

Motorhome manufacturers have no control over the production of commercial base vehicles, or their engine emissions.

LACK OF ENGINE CHOICE



As motorhomes are derived from commercial base vehicles, new owners have **limited engine choice**.



97% of ALL new motorhomes are based on just four engine choices - one for each base vehicle manufacturer, all of which are diesel and have **similar emissions output**. By comparison, a single Ford Focus car model has four engine choices alone!

FIAT 59%

PEUGEOT 21%

VW 9%

FORD 8%

97% OF MOTORHOMES ARE BASED ON JUST 4 ENGINE TYPES

Any tax incentive to help encourage motorhome buyers to purchase cleaner vehicles is **irrelevant until there is a greater choice** of low-emission commercial base vehicle options available to motorhome manufacturers/converters.



MEETING CLIMATE CHANGE TARGETS

Emission regulations are important, and it is right that new vehicle owners are encouraged to choose cleaner, more efficient engines. **Both the car and light commercial van industries have been consulted** on the impact of the Worldwide Harmonised Light Vehicle Test Procedure (WLTP) and their implementation dates have been delayed. **The motorhome industry has had no such assistance from Government.**



MOTORHOMES

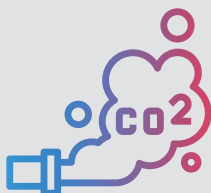
LIGHT COMMERCIAL VEHICLES

CARS

0.2%

23.3%

76.4%



Compared with cars and light commercial vehicles, motorhomes represent the **smallest group of vehicle**, travelling 3,000 miles per annum on average and **contributing just 0.22% in emissions**.

CONFUSION & MARKET DISTORTION

Dealerships and consumers will see three **identical looking motorhomes** but each will have different emission approvals and rates of vehicle tax.



This will bring confusion for potential motorhome buyers who may change their minds, which in turn will impact on future sales and orders. **Choosing a motorhome with the cleanest, most efficient engine will mean paying significantly more road tax** in the first six years.

European manufacturers are seeking heavy duty emissions approval to **bypass the higher UK road tax**, leading to potential job losses throughout the UK motorhome industry.

