



Image: RAC

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Autumn Statement: Electric cars to pay vehicle tax from 2025

Following the announcement that from 2025 electric vehicles will no longer be exempt from Vehicle Excise Duty (VED), RAC head of policy Nicholas Lyes said:

"After many years of paying no car tax at all, it's probably fair the Government gets owners of electric vehicles to start contributing to the upkeep of major roads from 2025. Vehicle excise duty rates are unlikely to be a defining reason for vehicle choice, so we don't expect this tax change to have much of

an effect on dampening the demand for electric vehicles given the many other cost benefits of running one. The fact that company car tax increases on EVs will be kept low should also keep giving fleets the confidence to go electric which is vital for increasing the overall number of EVs on our roads.

“We estimate around 550,000 battery electric vehicles on the road now will be affected by the tax change in 2025, in addition to those that will be newly registered between now and then.”

The press office email address is press.office@rac.co.uk and media centre is at media.rac.co.uk. **Please note:** the press office is unable to help with individual customer enquiries - please visit the [RAC contacts page](#) to find the right contact.

About the RAC

The RAC, an iconic UK brand, provides complete peace of mind to nearly 14 million UK private and business drivers, whatever their motoring needs. As well as its premium nationwide breakdown assistance service – with an expert branded patrol workforce attending more than two million breakdowns every year – it offers a wide range of market-leading products across insurance, legal services, vehicle inspections and service, maintenance and repair. Included in this is the first-of-its-kind nationwide Mobile Mechanics service which brings the garage to homes and workplaces.

At the forefront of new solutions for business fleets and consumers, the RAC's breakdown service is electric-ready with mobile EV charging technology and can be called on using [myRAC](#) – the all-in-one route planner, fuel finder and breakdown reporting app.

Visit the [RAC website](#).

Contacts



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