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Clarification on RAC position regarding pay-per-mile taxation following inaccurate media report

We'd like to clarify our comments about a pay-per-mile tax system following an inaccurate media report which implied we were suggesting an additional tax on drivers.

As more electric vehicles come on to the road, a <u>replacement tax system</u> will be needed to ensure the Government doesn't lose too much money and that EVs pay for their use of the roads. We have said consistently that whatever any new taxation system looks like, the most important thing for us is that it's simple and fair to drivers of both conventional and electric vehicles. We don't want to see any additional taxation of drivers.

We'd also like to point out that fuel duty – currently 53p a litre – is already effectively a tax per mile for drivers of petrol and diesel vehicles, the only variable is how fuel efficient a car is. As fuel duty isn't printed on receipts, it's not very obvious how much tax we're paying every time we fill up. At the moment we calculate a driver with a 40mpg car is paying 6p per mile in fuel duty, but crucially this works out to be far more as VAT is then added on top of that and the retailer's margin.

There is clearly much work to be done on this which is why we were encouraging the Government to start thinking about it now.

The press office email address is <u>press.office@rac.co.uk</u> and media centre is at <u>media.rac.co.uk</u>. **Please note:** the press office is unable to help with individual customer enquiries - please visit the <u>RAC contacts page</u> to find the

right contact.

About the RAC

The RAC, an iconic UK brand, provides complete peace of mind to 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 \underline{myRAC} – the all-in-one route planner, fuel finder and breakdown reporting app.

Visit the <u>RAC website</u>.

Contacts



Press office team

Press Contact For journalist enquiries only Emails monitored during normal office hours press.office@rac.co.uk ISDN number on request