

Advisory fuel rates for company cars

Revised rates effective from 01 June 2010

H M Revenue & Customs have published revised advisory fuel rates for company cars. These rates apply to all journeys on or after 01 June 2010 until further notice.

The new rates are as follows:-

Engine size	Petrol	Diesel	LPG
1400CC or less	12p	11p	8p
1401CC to 2000CC	15p	11p	10p
Over 2000CC	21p	16p	14p

Petrol hybrid cars are treated as petrol cars for this purpose.

The rates are intended to reflect average fuel prices and apply where employers:

- Reimburse employees for business mileage in their company car
- or
- Require employees to repay the cost of fuel for private mileage.

H M Revenue & Customs will accept the advisory fuel rates for VAT purposes, though employers will need to retain VAT receipts in line with current legislation.