

Historic vehicles VED exemption notes

VED: Classic Vehicle Exemption

A surprise announcement in the Budget 2013 document issued by HM Treasury alongside the Chancellor of Exchequer's Budget statement to the House of Commons on Wednesday 20th March 2013 was the Government will extend the cut-off date from which classic vehicles are exempt from VED by one year. From 1st April 2014 a vehicle manufactured before 1st January 1974 will be exempt from paying VED. (Para 2.148, page 84 – an extract of this paragraph is available at <http://www.v8register.net/DD/130320-Budget-2013-report1.pdf>).

There is some time (just over 12 months) before this new exemption will begin to apply to classic cars that fall into this 12 month extension period, so there is time to clarify the details of the eligibility terms and the process by which a vehicle owner can apply to the DVLA for what is termed “**historic vehicle**” status.

What is the current DVLA procedure for taxing historic vehicles?

Form INF34 sets out the requirements and process which is set out below. You can download a copy of INF34 at: www.dft.gov.uk/dvla/forms/~media/pdf/leaflets/INF34.ashx

How does DVLA identify a vehicle as ‘historic’

From 1st April 2014 you may be able to tax your vehicle in the ‘historic vehicle’ tax class if it was built before 1st January 1974 and is one of the qualifying vehicles listed on DVLA form INF34 which includes Private or Light Goods vehicles (PLG). Note you will not have to pay vehicle tax (Vehicle Excise Duty or VED) if you have a historic vehicle, but you must still tax and insure it every year and display a “nil value” tax disc.

How you tax your vehicle in the historic vehicle tax class

The first time you tax a vehicle in the historic vehicle tax class you must do so by posting the documents or taking them to a **DVLA local office**. You can get the address of your nearest local office on the website at www.direct.gov.uk/dvla/local or by calling **0300 123 1277**. You will have to give your postcode so they can give you details of your nearest local office. DVLA local offices are open from 9am to 5pm Monday to Friday (9.30am to 5pm on the second Wednesday of every month).

The documents you will need to produce

Vehicle registration certificate (V5C) - this must clearly show that the vehicle was made or first registered before 1st January 1974. If you do not have a V5C, or if you think the age shown is incorrect, you will need to produce a **dating certificate** from a vehicle enthusiasts’ club or evidence from the vehicle manufacturer. If the V5C indicates that the vehicle was registered up to and including 7th January 1974, then we expect DVLA will continue their helpful existing practice and say they will let you register it as an historic vehicle, based on the assumption that the vehicle would have been made in the previous year.

- An appropriate test certificate (for example, an MOT certificate).
- A valid insurance certificate.
- A filled in “Application for a tax disc” (V10), which you can get from www.direct.gov.uk/motoringforms or Post Office branches that issue tax discs or a DVLA local office.

Difficulties with the DVLA records of the year of manufacture

The Federation of British Historic Vehicle Clubs or FBHVC has mentioned is that one of the problems that DVLA has is that the legacy RF60/VE60 logbook did not record the year of manufacture. Records taken on via normal tax renewals in the 1970s, the year of manufacture was blank on the database. Records taken on via the V765 scheme always include a V55/5 form (Taxing and registration of a second had vehicle) so the year of manufacture is populated for those records. What DVLA has done on their databases is, if the year of manufacture is missing, they have populated it with the year it was registered. Fortunately that population of missing year of manufacture has not affected the RAC database checks system. In the small print on INF34, (Historic Vehicles), DVLA indicate that if a vehicle was registered up to and including 7th January, they are prepared to assume that it was manufactured in the previous year.

If the DVLA are consistent with their policy relating to pre 1960 vehicles for MOT requirements, they will go down the manufacturer records/Glass’s Guide extract route, and not allow general dating letters. So we will have to wait and see how the DVLA decides to clarify the procedure for historic vehicles for the VED tax exemption extension. DVLA have 12 months to sort things out and clarify their procedures.

However it’s reasonable to assume that those vehicles registered between 7th January 1973 and 7th January 1974 which are currently taxed as PLG, will automatically be taxed as an “historic vehicle” from 1st April 2014. There may also be a crop of vehicles registered shortly after 7th January 1974 where the owner will be suggesting that it was actually manufactured in 1973. We await clarification from the FBHVC as to how they understand the DVLA propose to deal with those requests for correcting the records held by the DVLA of the year of manufacture. Will DVLA treat them in the same way as the pre 1960 MOT by only accept extracts from the manufacturers’ records, or an extract from the Glass’s Guide, or might the DVLA be prepared to accept general dating certificates?