

ELECTRIC CAR SALARY SACRIFICE SCHEME



We know you want to make a difference

Our electric vehicle salary sacrifice scheme makes electric driving more affordable than ever for your employees, as they pay for their cars each month from their salary before tax and National Insurance. Whatever the size of your organisation, it could allow you and them to go green much quicker.

Benefits for your business

- ✓ Cut your company's carbon footprint
- ✓ Reduce long-term fleet costs, particularly in low emission zones
- ✓ Save on employer's National Insurance (NI) contributions
- ✓ Give your employees one of the cheapest ways to drive electric
- ✓ Boost employee retention and motivation by offering company cars to everyone
- ✓ Reduce your reliance on grey fleet

Salary sacrifice example

Employee Quotation based on 40% taxpayer

Car: Kia, EV6, 166kW GT line S

Salary sacrifice term : 3 year, 10,000 miles per annum

P11D value £40,412.50: CO2 emissions 0 g/km: Electric range 313 miles

Tax years during the term	2022/23	2023/24	2024/25	2025/26
Monthly gross salary sacrifice	770.43	770.43	770.43	770.43
Income tax saved on salary sacrifice	308.17	308.17	308.17	308.17
NIC saved on salary sacrifice	25.04	15.41	15.41	15.41
HSCL saved on salary sacrifice	0.00	9.63	9.63	9.63
BiK tax paid on company car	26.94	26.94	26.94	26.94
Monthly net salary sacrifice	464.16	464.16	464.16	464.16

Your monthly cost for a comparable private lease would be: £835.02

Salary sacrifice in eight easy steps

Part 1: Setting up your scheme

- 1 Select your vehicle range**
Pick from a selection of vehicles and tailor the contract to your needs. Don't forget deductions while you're doing this.
- 2 Decide on insurance**
You can insure the vehicles for your employees or ask them to arrange it themselves.
- 3 Create your terms**
Decide if you want to add additional options into the vehicle contract like early termination cover.
- 4 Promote the scheme**
Start speaking to your employees once the scheme is setup about the benefits of joining.

Part 2: Employee sign up

- 1 Choose their vehicle**
Pick from a selection of vehicles
- 2 Employee agreement**
Employees will need to agree to salary sacrifice, as it's a change of contract. It may help to make a short policy document.
- 3 Start salary deductions**
Once you know when an employee's car is coming, you'll need to amend payroll to reflect the change in salary.
- 4 Get on the road**
Enjoy your brand new vehicle.

0800 085 4256
cvsl.co.uk

 **CVSL**
Leasing made easy