



FIVA

We Protect

We Preserve

We Promote

Position paper:

Road Charging and Vehicle Tax

November 2021

Background

There is anticipated to be a gradual change in the way that vehicle ownership and use is taxed: from the current situation of vehicle ownership/registration tax and taxation on fuels to a system based on a tax on road use (road charging). Under the new structure, charges are likely to be calculated and collected with the use of Intelligent Transport Systems (ITS) which will determine the charge based on the emissions of the vehicle coupled with a variable rate (based on type of road, time of day) for the distance travelled.

In most countries, historic vehicles pay a lower vehicle ownership/registration tax. This is because authorities recognise that historic vehicles are used rarely and generally outside of peak traffic times/flows, because they are well maintained and because of their value as motoring heritage.

Impact of road charging on the use of historic vehicles

If future vehicle taxation/road charging structures incorporate a carbon dioxide and air pollutant emissions differentiation, historic vehicles will most likely have to pay a disproportionately higher amount per kilometre driven because their emission performance is likely to compare unfavourably against modern cars. Consequently, while kilometres travelled by historic vehicles may be low, a disproportionately high usage based charge is likely to deter use. Additionally, it may not actually be possible to determine the emission performance of a historic vehicle using ITS and so the either calculation/fee collection may not be possible or require a “synthetic” assessment.

FIVA position

A fair approach would be for road charging systems to be based on the total environmental footprint of a vehicle – i.e. it would account for the environmental cost of the manufacture, the external costs during use and the cost of the disposal of the vehicle. This would better reflect the total environmental impact of a historic vehicle as it would acknowledge the fact that the vehicle was manufactured many years ago and that end-of-life is not foreseen. However, this approach is not practicable for all vehicles and would not account for the cultural value inherent in the historic vehicles.

Therefore, the most appropriate approach is for historic vehicles to be treated as distinct from all other motorised vehicles and for exemptions or appropriate unique charging conditions to be applied. This would ensure that under a road charging system:

- Historic vehicles would not be charged a disproportionately and unnecessarily high price per kilometre or mile.
- Historic vehicles should not need adaptation to use ITS
- Motoring heritage will continue to be preserved for the benefit of future generations.