



45TACD2019

BETWEEN/

Appellant

Appellant

V

THE REVENUE COMMISSIONERS

Respondent

Introduction

1. This appeal concerns the calculation of Vehicle Registration Tax ("VRT") charged on the importation of a plug-in hybrid electric vehicle. On agreement of the parties this appeal is determined in accordance with section 949U of the Taxes Consolidation Act 1997, as amended ("TCA 1997").

Background

2. The vehicle, the subject matter of this appeal, is a plug-in hybrid electric vehicle. The Appellant was of the understating that having registered the vehicle with the National Car Testing Service ("NCTS") and paid the VRT amount of €2,319 that a repayment of €2,250 was due to him owing to the fact that the vehicle is a hybrid electric vehicle which commands a lower VRT charge.
3. The Appellant wrote to the Respondent on 29 May 2018, shortly after registering the vehicle, and requested a repayment of €2,250 on the basis that the amount of €2,319 paid on registration of the vehicle represented the VRT amount payable before applying the reduction.

4. The Respondent by letter dated 13 June 2018 advised the Appellant that the VRT amount charged by the NCTS of €2,319 already included the maximum reduction of €2,250 for that particular vehicle and that no refund was owing.
5. The Appellant duly appealed to the Tax Appeals Commission.

Legislation

6. S135C Finance Act 1992: Remission or repayment in respect of vehicle registration tax on certain hybrid electric vehicles

“2(a) Where a person first registers a category A vehicle or a category B vehicle during the period from 1 January 2011 to 31 December 2018 and the Commissioners are satisfied that the vehicle is a plug-in hybrid electric vehicle, then the Commissioners shall remit or repay to that person an amount equal to the lesser of –

- (i) the vehicle registration tax which, apart from this subsection, would be payable in respect of the vehicle in accordance with paragraph (a) or (c) of section 132(3), or*
- (ii) the amount specified in the Table to this subsection which is referable to the vehicle having regard to its age*

(b) In this subsection ‘age’, in relation to a vehicle, means the time that has elapsed since the date on which the vehicle first entered into service.”



TABLE 2

<i>Age of vehicle</i>	<i>Maximum amount which may be remitted or repaid</i>
<i>New vehicle, first registration</i>	€2,500
<i>Not a new vehicle but less than 2 years</i>	€2,250
<i>2 years or over but less than 3 years</i>	€2,000
<i>3 years or over but less than 4 years</i>	€1,750
<i>4 years or over but less than 5 years</i>	€1,500
<i>5 years or over but less than 6 years</i>	€1,250
<i>6 years or over but less than 7 years</i>	€1,000
<i>7 years or over but less than 8 years</i>	€750
<i>8 years or over but less than 9 years</i>	€500
<i>9 years or over but less than 10 years</i>	€250
<i>10 years or over</i>	Nil

Submissions and Analysis

7. The Appellant submits that prior to purchasing the vehicle and importing it into the State that Revenue had informed him that a VRT amount of €2,319 was payable on the vehicle and that legislation provided for a refund of €2,250.



8. The Appellant contends that the VRT calculator on the Revenue website indicated that a VRT amount of €2,319 was payable on the vehicle. In support of this the Appellant has furnished a copy of the calculation per the VRT calculator. The Appellant submits that he was of the view that the VRT amount of €2,319 as indicated in the VRT calculator did not include the reduction, as it was not shown in the breakdown of the calculation. The Appellant further states that he was misled by the Revenue VRT calculator and that he would not have purchased the said vehicle if he had been aware of the final VRT amount payable.
9. The Respondent submits that the amount of the remission or repayment of VRT owing is determined by reference to the age of the vehicle when it is registered in the State. The Respondent further submits that the vehicle the subject matter of the appeal falls into the category of 'not a new vehicle but less than two years old' and so remission or repayment of an amount of €2,250 applies.
10. The Respondent contends that the Appellant benefitted from the €2,250 reduction and that the VRT amount of €2,319 which he paid represented the net amount of VRT payable.
11. The Respondent submits that the Appellant was not misled by the VRT calculator as the Appellant was quoted a figure of €2,319 which was exactly the amount payable on the vehicle. In addition, the Respondent contends that the Revenue website clearly states that plug-in hybrid motor vehicles qualify for a remission or repayment of VRT and that therefore there are two methods by way the VRT to be paid can be reduced.
12. There is no dispute between the parties in relation to the Open Market Selling Price or the rate of VRT applicable to this vehicle.
13. Section 135C (2) of the Finance Act 1992, as amended, provides for a remission or repayment of an amount of VRT to be determined by the reference to Table 2, on the importation of a plug-in hybrid electric vehicle. In the within appeal the remission or repayment due is €2,250 and this amount is not in dispute. The remission or reduction is applied to the VRT charge calculated in the usual way, which is by reference to the Open Market Selling Price of the vehicle and the CO₂ emissions of the vehicle, neither of which are in dispute between the parties.



14. The calculation of the final VRT amount payable per the VRT calculator did include the reduction. The VRT calculator showed that the Open Market Selling Price of the vehicle was €32,642 and that the applicable VRT rate was 14%. Applying this VRT % gives a VRT amount of €4,569 and subtracting the reduction of €2,250 gives a final VRT amount of €2,319 which is the amount the Appellant was charged by the NCTS.
15. The Appellant, has mistakenly believed that the VRT charge, in the absence of an explanatory note on the VRT Calculator, represented the VRT payable *before* any reduction was applied to account for the vehicle being a hybrid electric.
16. While the Appellant may feel he has been misled by the VRT calculator, this is not a matter which the Tax Appeals Commission has jurisdiction to adjudicate on.
17. Based on a consideration of the evidence and submissions together with a review of the documentation, I determine that €2,319 to be the correct VRT amount payable in relation to the vehicle and in accordance with section 135C (2) of the Finance Act 1992. Accordingly, the appeal fails.
18. The appeal hereby is determined in accordance with section 949AL TCA 1997.

Paul Cummins
APPEAL COMMISSIONER
9 October 2019

