

Motorcycle Vehicle Excise Duty Consultation

Summary of Responses

April 2002



HM TREASURY

MOTORCYCLE VEHICLE EXCISE DUTY CONSULTATION SUMMARY OF RESPONSES

Contents

Introduction

Detail of responses

List of respondents

Introduction

In Pre-Budget Report 2001, the Chancellor launched a consultation on options for modernising motorcycle vehicle excise duty (VED) to ensure that the VED system reflected the benefits of motorcycles, particularly where they substituted for car use. The consultation closed on 8 February 2002 and this paper summarises the responses received.

12,468 responses were submitted, including detailed responses from several motorcycle industry and retail groups and motorcycle riders associations. A list of the main associations who responded is attached at Annex A.

Detailed responses

Question 1 – Are you prepared to allow your response or name to be quoted, or made available to the public?

Yes	9688 = 77.7%
No	2191 = 17.6%
Unanswered	589 = 4.7%

Question 2 – Do you agree that the Government is right to take into account the following objectives when considering reforms to motorcycle VED:

- reducing traffic congestion;
- tackling climate change;
- providing access to affordable transport;
- improving local air quality;
- improving road safety; and
- tackling transport noise.

Yes	10627 = 85.2%
No	1613 = 12.9%
Unanswered	228 = 1.8%

Question 3 – Do you agree that the motorcycle VED system should be used to help deliver objectives to tackle climate change and reduce congestion, while also encouraging motorcycles as an affordable alternative to car use?

Yes	10476 = 84.0%
No	1795 = 14.4%
Unanswered	197 = 1.6%

Comments attached with the answer to this question included:

- although smaller motorcycles can filter through traffic with the greatest effectiveness, larger motorcycles can also progress in congested traffic.
- in general the smallest motorcycle use least fuel, although most motorcycles use less fuel than cars, which contributes towards carbon dioxide reductions.
- smallest motorcycles are the most affordable and therefore can address social exclusion, however for long distance commuting a larger machine may be essential

Question 4 – Do you agree that engine size should continue to form the basis for motorcycle VED?

Yes	3128 = 25.1%
No	9184 = 73.7%
Unanswered	156 = 1.3%

Comments attached with the answer to this question included:

- *from the main motorcycle associations:* until carbon dioxide data is available, engine size is the only satisfactory and practical basis on which to set motorcycle VED; and
- the availability of emissions data, which is not expected until 2006 at the earliest, may give another opportunity to review motorcycle VED, until then engine size is the only practical way to set motorcycle VED

Question 5 – Do you believe that example 1 will help deliver the objectives identified better than the existing system.

Example 1

<i>Band</i>	<i>Engine Size</i>
<i>Low</i>	<i>Not over 400cc</i>
<i>Intermediate</i>	<i>Over 400 and up to 600cc</i>
<i>High</i>	<i>600cc and over</i>

Yes 1583 = 12.7%
No 10474 = 84.0%
Unanswered 411 = 3.3%

Comments attached with the answer to this question included:

- not all motorcycles over 600 cc are used for leisure and for travelling on faster roads larger machines are often essential
- the differential between the largest category of motorcycles and cars should be maintained
- a new structure of motorcycle VED with breaks in the VED bands at 50 cc, 125 cc, 400 cc, and 600 cc

Question 6 – the Government is also considering the case for a further higher rate for the largest motorcycles (over 1000 cc), because of the relatively larger environmental impacts they have. Do you think this is a good idea?

Yes 540 = 4.3%
No 11781 = 94.5%
Unanswered 147 = 1.2%

Comments attached with the answer to this question included:

- the majority of 'performance' machines are below 1000 cc
- the relative environmental impacts of motorcycles above and below 1000 cc are of negligible difference;
- larger motorcycles have role to play in inter-urban travel;
- the largest motorcycles tend to offer more advanced safety features

Question 7 – Are there any ideas that you would like to have considered in tackling the evasion and theft of Motorcycle VED discs?

Agree that changes are required	10138 = 81.3%
Disagree	150 = 1.2%
No Comments	2180 = 17.5%

Comments attached with the answer to this question included:

- licences which stick to the rear plate would be a good idea
- greater traffic policing is needed
- easier payment of VED by credit/debit cards would encourage greater compliance

Annex A

List responses from the main motorcycle associations and stakeholders

There were 12,468 respondents whose views the Treasury was grateful to receive. Given the large number it is not practical to list every person who submitted a response. There were however a number of responses from stakeholder organisations including:

The Motorcycle Retailers Association
The British Motorcyclists Federation
The National Motorcycle Council
The Motorcycle Industry Association
The Automobile Association
Motorcycle Action Group
The Association of Chief Police Officers
Transport 2000
Motorcycle Fleet News