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## Advisory fuel rates for company cars

### Revised rates effective from 01 July 2008

H M Revenue & Customs have published revised advisory fuel rates for company cars applying to all journeys on or after 01 July 2008.

The new rates are as follows:-

Engine size	Petrol	Diesel	LPG
1400CC or less	12p	13p	7p
1401CC to 2000CC	15p	13p	9p
Over 2000CC	21p	17p	13p

Petrol hybrid cars are treated as petrol cars for this purpose.

The rates are intended to reflect average fuel prices and apply where employers:

- Reimburse employees for business mileage in their company car; or
- Require employees to repay a cost of fuel used for private mileage.

H M Revenue & Customs will accept the advisory fuel rates for VAT purposes, though employers will need to retain VAT receipts in line with current legislation.