**USING COMPANY VEHICLE.**

1. **BIK**
2. **INSURANCE**
3. **POLICY**

BIK is Benefit in Kind. This arises where your employer provides you with a vehicle for use in their business, while private use is also permitted

The private use of the vehicle, regardless of it class, is subjected to Tax and USC.

The calculation is based upon the Original Market Value OMV.

Cars/Van BIK

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| PURCHASE OR LEASE | |
| VRT included  VAT included | The vehicle with OMV is €30k  Your use is 9k kilometres per year  70% of usage is for business purposes  The cash equivalent is ca €7,200 for the year (€30k x 24%)  You get paid weekly so the pay value is €138.46 added to your wage bill (€7,200/52) |

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| INSURANCE | |
| Policy | €500.00 per year |
| Excess | €1,000.00 |
| An employee, if they are found negligent, in other words they were at fault, under s5 of the Payment of Wages Act 1991, the employer is entitled to recover any non-refundable pay outs they must make. | |

If you use the vehicle as a pool vehicle, but only you use it, and/or it’s parked at your home, then it is also subjected to BIK. Having a commercial vehicle, is not enough to shield the employee from having to pay BIK. There are several checks that must be adhered to. The amount of BIK will vary subject to the amount of milage the driver does in a year.

Leased vehicles, it is a good policy to check what number of kilometres you are paying for before you go into extra costs. This may mean you rotating the vehicles between heavy users and light users to avoid surcharges.

Employer should check with the insurance broker or insurance company if the policy permits the driver to carry other employees.

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| **POLICY** |
| All companies should have a vehicle policy, this should include, daily inspection reports, tracking and CCTV use among other things. Please review the Employee Handbook to see such Company Vehicle policy. |