

LEASING SUMMARY - UK TAX RATES

**Example quote
2018 R5 CAR**

LEASE THEN PURCHASE BACK

	If tax paid on individual rate 40% LEASING	If tax paid on Corporate rate 23% LEASING	If car purchased PURCHASE
Cost of car excl VAT	210,000	210,000	210,000
Initial Outlay EXCL VAT	42,000	42,000	210,000
Tax Allowances	-16,800	-9,660	-5,833 (restricted)
Initial cost	25,200	32,340	204,167
Rentals / purchase interest at 7%	4,127	4,127	1,225
Tax relief on rental / interest	-1,651	-949	-490
Monthly cost	2,476	3,178	735
Total rentals x 35	86,671	111,228	25,725
Final payment	52,500	52,500	0
Total Cost of car and finance	164,371	196,068	229,892
Recovered for car on sale	150,000	150,000	150,000
Cost of car for three years	14,371	46,068	79,892
			at highest tax rate
Cost of car - rentals	186,452	186,452	252,875
Tax relief	74,581	42,884	41,150
Net cost of car	111,871	143,568	211,725
Purchase price	52,500	52,500	0
Sale Price	150,000	150,000	150,000
Cost of ownership for 3 years	14,371	46,068	61,725