

## VED exemption and MOT exemption

### MOT and Road Tax Exemption explained

As of May 20, 2018, nearly all cars that were built more than 40 years ago are exempt from VED, more usually known as Road Tax, and potentially also exempt from the annual MoT, if their keepers self declare them, but there are important differences between these exemptions to be borne in mind, and they are independent, one has no effect on the other.

### MoT Exemption

Previously, only cars first registered before 1960 were exempt from needing an MoT, but this is now available to vehicles manufactured or first registered more than 40 years previously and declared to be a Vehicle of Historic Interest (VHI); this 40 year period rolls forward, so more vehicles become potentially exempt on a daily basis.

A VHI is a vehicle that:

- Was manufactured or registered for the first time at least 40 years previously.
- Is of a type no longer in production.
- Has been historically preserved or maintained in its original state and has not undergone substantial change in the technical characteristics of its main components.

The first two criteria are clear enough, but the phrase “substantial change” requires explanation. The DfT has given its opinion in the form of a document reasonably entitled Substantial Change Guidance. This states that “a vehicle will be considered substantially changed if the technical characteristics of the main components have been changed in the previous 30 years, unless they fall into specific categories”. It is worth noting here that components do not have to be original, they have to have the same technical characteristics. The main components are considered to be:

- Chassis or monocoque bodyshell including any subframes –replacements to the same pattern as the original are not considered a substantial change.
- Axles and running gear – alteration of the type or method of suspension or steering constitutes a substantial change.
- Engine – alternative cubic capacities of the same basic engine and alternative original equipment engines are not considered a substantial change. If the number of cylinders in an engine is different from the original, it is likely but not necessarily the case that the current engine is not alternative original equipment.

What is not mentioned is significant, the transmission is a case in point, it is not mentioned so is not considered a main component in this context.


On the other hand some changes will not be considered substantial, whatever components they affect, if they fall into these specific categories:

- Changes made to preserve a vehicle, which in all cases must be when original type parts are no longer reasonably available.
- Changes made of a type that can be demonstrated to have been made when vehicles of the type were in production or in general use within 10 years of the end of production.
- Changes made to axles and running gear made to improve efficiency, safety or environmental performance

If a vehicle has been issued with a registration number with a “Q” prefix, or is a kit car assembled from components from different makes and models of vehicles, or is a reconstructed classic vehicle as defined by DVLA guidance, or is a kit conversion, where a kit of new parts is added to an existing vehicle, or old parts are added to a kit of a manufactured body, chassis or monocoque bodyshell, changing the general appearance of the vehicle, it will be considered to have been substantially changed, and will not be exempt from MoT testing, unless that is the vehicle is taxed as an historic vehicle and has not been modified during the previous 30 years, when it can be considered a VHI.

Note that the guidance is only intended to determine the testing position of a substantially changed vehicle, not its registration.

To claim exemption from MoT testing the keeper of a vehicle must make a self declaration that it is a VHI when renewing their vehicle tax. This is done by completing a V112 declaration form, available online, and applies



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as much to pre-1960 vehicles that were previously automatically exempt as it does to newer vehicles. The responsibility to ensure that the vehicle meets the criteria for a VHI rests with the keeper of the vehicle. If they cannot determine that the vehicle has not been substantially changed, they should not claim it as a VHI. To assist them, a list of marque and historic vehicle experts is available on the website of the Federation of British Historic Vehicle Clubs. The guidance on substantial change has been considerably influenced by input from FBHVC.

It is important to appreciate that DVLA will keep no record that a vehicle has been declared a VHI and MoT exemption claimed, and the same declaration will need to be made each time the vehicle is re-licensed but can in future be made online. If substantial change has been made to the vehicle, then it is not a VHI and the declaration cannot be made. There is of course no compulsion to declare a vehicle to be a VHI and if the keeper is content to continue to have an annual MoT test, then they can continue to do so, whether or not the vehicle could be exempted.

All vehicle keepers, whether the vehicle has or could be exempted and whether or not it has an MoT certificate, are of course responsible for the roadworthiness of their vehicle, and commit an offence if it is driven on the road when it is not roadworthy. In addition motor insurance policies will have a condition requiring the insured to maintain the vehicle in a roadworthy condition.

### VED (Road Tax) Exemption

The tax exemption for 40 year old vehicles rolls forward on a calendar year basis, so vehicles manufactured before 1st January 1979 are exempt from vehicle tax from 1st April 2019 continuing on an annual basis. There is a concession under which if the actual date of manufacture is not known, those first registered within the first week of a new year (1st – 7th January inclusive) are accepted as having been manufactured in the previous year.

To apply for tax exemption, you will need to change the tax classification of your vehicle from Private/Light Goods (PLG) to Historic. To do this, apply at a Post Office that deals with Vehicle Tax. You need to take:

- the log book (V5C) in your name.
- your vehicle tax reminder letter (V11), if you have one.
- an MOT certificate that is valid when the tax starts, or evidence that your vehicle is exempt from an MOT in the form of a V112 declaration.
- in Northern Ireland only, an insurance certificate or cover note

Enter the word 'HISTORIC' in section 7 of your V5C, marked Taxation Class, and write it where it states 'Changes to current vehicle' in the box provided. Use a black pen and write the wording in capitals. Then sign the declaration in section 8.

The V5C should show your vehicle being first registered 40 years prior to the 1st of January in the qualifying year. Which would mean if you were applying in April 2019 your V5C must show a registration date prior to 1st January 79 or by concession up to 7th January. You can only make your application on or after the date your car becomes exempt on the 1st of April of the qualifying year. If you do not have the log book, download and complete an application for a log book (V62) or get one from the Post Office. Take it to the Post Office with the £25 fee.

The Post Office will send your application to DVLA and you should receive a confirmation within 10 working days that the change has been made and your new log book within 4 weeks. If you are due a refund, you should receive it within 6 weeks. Contact the DVLA if it does not arrive within that time, and likewise the new log book. You can still use the vehicle while your application is being processed.

In future years you will receive a vehicle tax reminder letter (V11) as normal, and you will be able to re-license it online if you wish, including declaring that it is exempt from MoT requirements as a VHI, otherwise of course doing so at a Post Office. You must carry out the re-licensing process, even though there will be nothing to pay with a VED exempt car.

Further information, flowcharts and updates are available on a dedicated micro website covering MOT and VED exemptions at: <http://www.buyinganmg.com/exemptions.htm>