**Media release – immediate**

**11 March 2020**

**NCC wins battle for Fair Motorhome Tax: VED hike reversed in Budget**

A statement by the Chancellor, Rishi Sunak, in today’s Budget confirmed that the rise in Vehicle Excise Duty (VED), which was imposed on new motorhomes, is to be reversed from 12 March 2020.

The tax increase of up to 705% had been levied from 1 September 2019 on newly registered motorhomes fitted with the new generation, greener, more energy efficient engines. The trade association for the leisure vehicle industry, the National Caravan Council (NCC), immediately began its #fairmotorhometax campaign. By March 2020, the campaigning was backed by 85 cross-party MPs.

NCC Director General, John Lally, said: “We have had extraordinary support from Parliamentarians – too many to mention them all - but in particular Richard Holden MP, Sir David Amess MP, Emma Hardy MP, Karl Turner MP and David Davis MP. Rishi Sunak MP – prior to becoming Chancellor - had also indicated support.

“Alongside the NCC, its members and the wider industry, these MPs worked tirelessly to reverse this increase, knowing the impact it would have on British manufacturing, on jobs and, potentially, on UK tourism. We offer our thanks to all of them and to the media, who highlighted how unfair the tax was.

“Early in 2019 when the rise was first mooted, the NCC immediately mobilized its forces. For nearly a year, NCC Deputy Director General Alicia Dunne and the team have highlighted the issue, met with Treasury, briefed dozens of MPs, researched possible impacts and liaised with the industry to try to get the rise reversed. Today, we have got the result we have been working for – a huge boost for British manufacturing.

“Leisure vehicle manufacturing is a British success story. The steady growth the motorhome industry had seen up to the time of the tax hike was almost instantly halted. We are delighted that our new Chancellor has so quickly understood that motorhomes and campervans should not be taxed as cars, that he has shown concern about the threats to our industry and taken this action to preserve jobs.

“Motorhomes will now return to being taxed as vans, which is logical as the vast majority are based on a commercial vehicle chassis. This is an amazing result for us, for this vibrant manufacturing industry and for the many thousands who take motorhoming holidays – the vast majority in the UK – each year.”

Erwin Hymer Group UK Ltd, Managing Director, Rob Quine, commented: “Ours is a highly innovative, inventive and competitive industry, but these tax hikes threatened its stability. I would like to thank the NCC and our new MP, Richard Holden, for all they did.”

James Turner Managing Director, Swift Group Ltd said: “This is an incredibly important result for our industry, it will without doubt resonate with our loyal customers, which in turn will give all businesses within the entire supply chain the opportunity and the confidence they need. Our gratitude extends to all those involved for their support, with special thanks to the NCC and our local MP David Davis.”

More about the campaign at <http://www.fairmotorhometax.org/>

**ENDS**

**Editors’ notes**

[The NCC](http://www.thencc.org.uk) is a not for profit trade association for the tourer, motorhome and caravan holiday home industry.

The Vehicle Excise Duty payable for new generation motorhomes and campervans first registered after 1 September 2019 increased from £265 per year to up to £2135 in the first year, and then £465 for the subsequent five years. From tomorrow (12 March 2020), the government will reduce annual VED liabilities for most new motorhomes to a flat rate of £265, which will rise to £270 for 2020-21, as motorhome manufacturers and dealers will not be required to provide a CO2 emissions figure when registering new motorhomes with the Driver and Vehicle Licensing Agency. From 1 April 2021, the government will align the VED treatment of new motorhomes and vans.

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