

# News story: Tax break to help Black cabs go green

Britain's black cabs will get a new boost to go green when a tax exemption for electric taxis comes into force this April. The exemption, worth £1,550, will apply to new cabs purchased from April onwards, and follows the [Autumn Budget](#) announcement that zero emission taxis worth over £40,000 will no longer have to pay a Vehicle Excise Duty charge.

Currently, all cars over £40,000 are required to pay this charge. By exempting zero emission taxis, it is hoped that cabbies will be incentivised to replace their old diesel taxi for a cleaner, greener electric version.

If just one switches to a zero emission vehicle, it would rid the country of seven tonnes of carbon dioxide a year. With over 75,000 black cabs operating in England alone, the impact this would have on the environment would be significant.

Chancellor of the Exchequer, Philip Hammond said:

We're backing Britain's black cab drivers to go green.

This is a victory for the environment and new technologies, which I am determined to support as we build an economy fit for the future.

Ensuring the air in our bustling towns and cities is free from pollution is part of our quest to become the first government to leave the environment in a better state than we found it.

CEO of LEVC, Chris Gubbey said:

We are delighted that the Treasury has brought forward previously announced changes to Vehicle Excise Duty for green taxis. These measures will encourage more cabbies to switch to zero emissions transport sooner – meaning improved air quality across the UK.

A small number of drivers who already own the vehicle or are expecting to take delivery in March will still have to pay an additional £310 charge. However, LEVC will compensate these drivers to ensure that they are not penalised for being the first to make the transition to a cleaner vehicle.

Traditionally, black cabbies have had limited choice in what vehicle they can buy. This has meant that until now, cabbies have been forced to pay charges which their competitors – who can choose more affordable vehicles – can avoid.

Not only will today's exemption save drivers from paying the VED charge but by transferring to a zero emission electric cab they will also benefit from, on average, over £400 a month in fuel savings.

This is part of a wider government plan to transform air quality in our towns and cities. It builds on the £7,500 Plug in Taxi Grant, which helps cab drivers buy a zero emission vehicle.

And, at [Autumn Budget](#), the government announced a £400 million Charging Infrastructure Investment Fund to support the industry to roll out charge points for electric vehicles across the UK.