



# Electric Car Salary Sacrifice

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Unlocking affordable clean, green driving for employees

# What is salary sacrifice

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Employees sacrifice salary in return for a new electric car, typically saving 30-40% of costs through income tax and national insurance

# Meet some of the cars...

Price excludes  
insurance

With over 30 fully electric models available, here's just 3 of our favourites



## MG 5

Excite

from **£209** per month

*net cost for a 20% tax rate payer  
including maintenance, tyres + more<sup>1</sup>*

Range<sup>2</sup>: 180 miles

Retails from: £27,540



## Volkswagen ID.3

Life Pro

from **£260** per month

*net cost for a 20% tax rate payer  
including maintenance, tyres + more<sup>1</sup>*

Range<sup>2</sup>: 215 miles

Retails from: £ 31,750



## Tesla Model 3

Standard Range Plus

from **£336** per month

*net cost for a 40% tax rate payer  
including maintenance, tyres + more<sup>1</sup>*

Range<sup>2</sup>: 215 miles

Retails from: £41,935

<sup>1</sup>We look after everything, so the monthly net cost includes maintenance, tyres, breakdown recovery and generous early termination protection for the business, plus an expert team to support the business and employees at every step; This pricing excludes insurance, but there is an option to include it on your company's scheme

The net cost is based on pricing on 11/01/21 and may vary; It is based on 48 month term with 8,000 miles per annum; with example employees earning £30,000 (20% tax rate) and a £80,000 (40% tax rate) annual salary, with no other adjustments, working for employer that is eligible to recover VAT and sets the scheme up as net zero-cost.

<sup>2</sup>Range is real world range based on city driving in cold weather as per ev-database.uk; accurate as of 23/07/21

Subject to eligibility and credit approval. Any prices quoted are subject to change and will be impacted by changes in law, regulation, tax or duty beyond our reasonable control.

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electric vehicles

# Meet Max...

Price includes insurance

Max is a 35 year old HR Manager, living in Windsor



Salary: £30,000



MG5 Excite



Term: 48 months



Annual mileage: 8,000 miles

**Max's net sacrifice**  
Over 4 years (2021-25)

**£284\***  
per month

Also includes:

- Insurance and accident management
- Servicing, maintenance & repair
- Roadside assistance
- Tyre replacements
- Early termination protections for unforeseen circumstances
- A £500 end of contract damage waiver



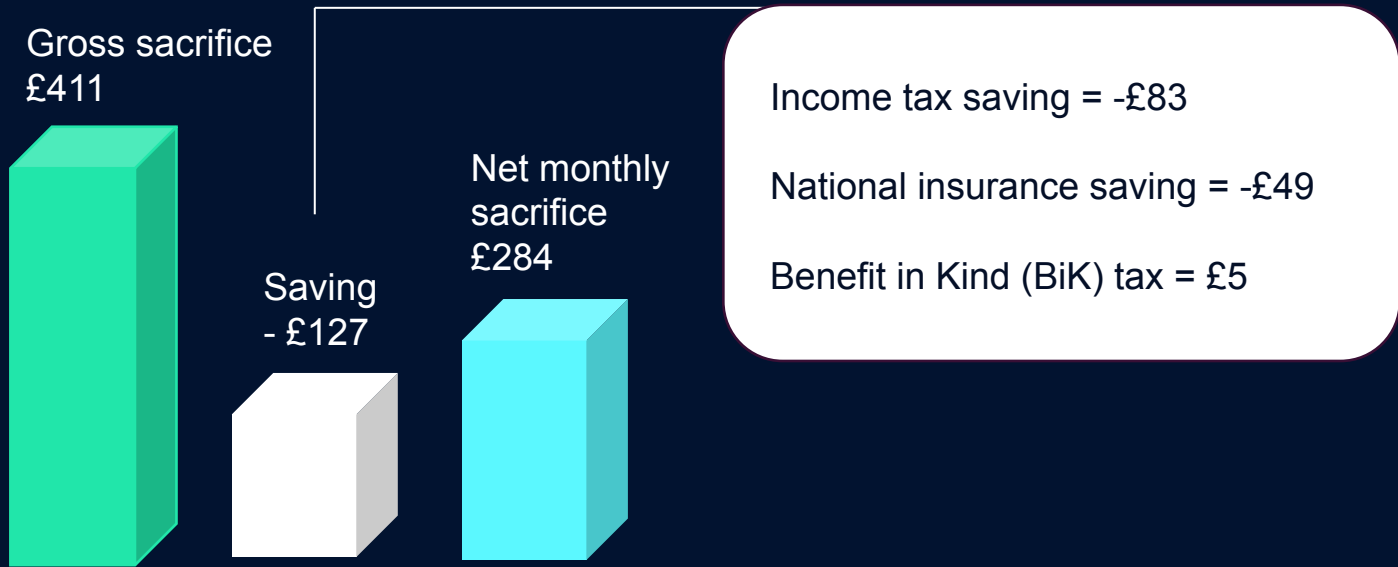
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\*Pricing accurate as of 11/01/21 and averaged across three years; subject to eligibility and credit approval. Terms and conditions apply. Any prices quoted are subject to change and will be impacted by changes in law, regulation, tax or duty beyond our reasonable control. It assumes that the business can recover VAT and returns savings from their National Insurance Contributions due to the sacrifice back to the employee.

# Max's numbers in detail

Price includes insurance

## Tax year 2021/22:



## TOTAL SAVINGS

**Max's savings**  
Over 4 years (2021-25)

**£5,916**

## Later tax years:

Max pays Benefit in Kind (BiK) tax:

*Value of car x BiK % x tax rate / 12*

	BiK %	BiK payment	Net monthly sacrifice
2021-22	1%	£5	£284
2022-23	2%	£9	£289
2023-24	2%	£9	£289
2024-25	2%	£9	£289



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# Meet Julia...

Price includes insurance

Julia is a 40 year old designer, living in Twickenham



Salary: £80,000



Tesla Model 3 SR+



Lease term: 48 months



Annual mileage: 8,000 miles

## Julia's net payment

Over 4 years (2021-25)

**£458**

per month

Also includes:

- Insurance and accident management
- Servicing, maintenance & repair
- Roadside assistance
- Tyre replacement due to wear and tear
- Early termination protections for unforeseen circumstances
- A £500 end of contract damage waiver



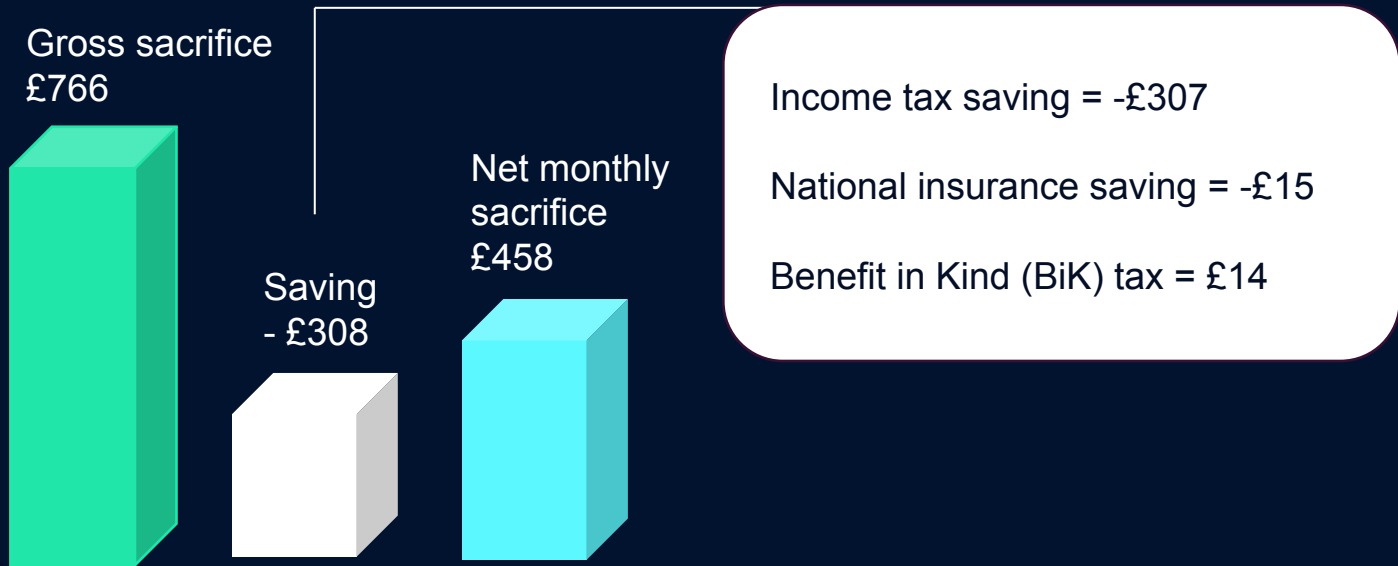
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# Julia's numbers in detail

Price includes insurance

## Tax year 2021/22:



## TOTAL SAVINGS

**Julia's savings**  
Over 4 years (2021-25)

**£14,280**

## Later tax years:

Julia pays Benefit in Kind (BiK) tax:

*Value of car x BiK % x tax rate / 12*

	BiK %	BiK payment	Net monthly sacrifice
2021-22	1%	£14	£458
2022-23	2%	£28	£472
2023-24	2%	£28	£472
2024-25	2%	£28	£472









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# How does it work?

Employees sacrifice some of their salary in return for the use of the car

## What's included?

-  Insurance and accident management
-  Servicing, maintenance & repair
-  Replacement tyres due to wear and tear
-  Roadside assistance
-  A £500 end of contract damage waiver
-  Early termination protection for unforeseen circumstances

Gross sacrifice

Tax & NI are lower due to sacrifice

EXAMPLE PAYSリップ					
Name	Office	NI Number	Tax Code	Tax period	Date
A Jones	London	AB123456C	1250L	2	31/05/2020
Pay and allowances		Deductions		This period	This year
Reference salary		£2,500.00	Tax	£210.47	£502.14
Sacrifice		-£406.00	NI employee	£156.24	£361.20
Revised salary		£2,094.00			
Total pay & allowances		£2,094.00	Total deductions	£366.71	£863.34
Taxable pay		£2,094.00	Net Pay	£1,727.29	£3,730.66
			NI employer	£187.96	£431.94

Payslip example for non-payrolled benefits; please request example for payrolled benefits  
Terms & Conditions apply



# Benefits of electric cars

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## Incentives

- Up to £2,500 grant for a new vehicle valued up to £35,000 P11D<sup>1</sup>
- Home charging and workplace charging grants<sup>1</sup>
- Exempt from Vehicle Excise Duty (road tax)
- Exempt from London Congestion Charge<sup>2</sup>

## Benefits

- Zero tailpipe emissions
- Free / discounted parking in places
- Up to 90% saving on fuel costs (average saving of £135 per month)
- Up to 50% saving on servicing, maintenance and repair
- Future proofed for Clean Air Zones

<sup>1</sup>All grants at the discretion of the Department of Transport and OZEV

<sup>2</sup> All cars must apply for exemption from the Congestion Zone; We can help on this.

# A charging & energy solution for everyone

Order your electric vehicle via your company salary sacrifice scheme with Octopus EV and be eligible for our E-GO offer at **home** or **on the road**

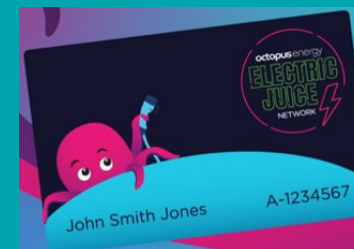
A home **smart charger**  
installed by Octopus Energy  
Services\*



**5,000 free miles**  
**of electricity** on  
Octopus Go from Octopus Energy\*\*

OR

**£50 energy credit** to  
switch your home to  
green energy\*\*\*\*



**5,000\*\*\* free miles**  
**of electricity** on  
the Electric Juice Network from  
Octopus Energy\*\*\*\*

\*Smart charger of our choice, including a standard installation - <https://octopus.energy/services/standard-ev-install/>

\*\*received in the form of credit to your Octopus Energy account on delivery of your car. Please note that this is calculated based on charging your car during the off-peak window of the Octopus Go tariff, based on the rate the day your car is ordered unless otherwise stated. It assumes an efficiency of 250 kWh for every 1,000 miles, as it typically takes 1 kWh to go 4 miles. This promotion is subject to eligibility and available with Octopus Electric Dreams business contract hire only, Octopus Electric Vehicles reserves the right to stop this promotion at any time.

\*\*\*5000 miles of public charging is based on an avg. daily mileage of 20 miles, 250 working days a year and an avg. cost of electricity of 30p kWh & a 4p/mile efficiency = £375 ex VAT of public charging credit

\*\*\*\* £25 per fuel (gas & electricity)

All offers are subject to availability and only for orders placed before end of April 2022.

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# We pull everything together to make it easy



**The cars**  
(including  
finance)

**Renewable  
energy tariffs**  
for EV drivers

**Smart  
charging**  
for your EV

**A better  
experience**  
for every step

# Octopus Electric Vehicles

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Part of the Octopus Energy Group

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