



THE SCOTTISH OFFICE

National Health Service in Scotland
Management Executive

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Common Services Agency
NHS in Scotland
Trinity Park House
Scottish Trinity Road
Edinburgh EH5 3SQ

NHS
MEL(1992) 71

St. Andrew's House
Edinburgh EH1 3DG

Dear Colleague

1. TAXATION OF MOTOR MILEAGE ALLOWANCES
2. FINANCIAL LOSS
3. PAYMENT OF TRAVELLING ALLOWANCES ETC TO MEMBERS OF HEALTH BOARDS AND OTHER ELIGIBLE NHS BODIES

Summary

1. This letter encloses at: Annex A, Notification from the Inland Revenue that the Fixed Profit Car Scheme (FPCS) rates (previously notified in Circular 1991(GEN)14 dated 23 May 1992) have been revised for 1991-92. The "tax free" mileage rates which are used under FPCS to calculate liability are intended to reflect the tax allowable costs of using a private car for business purposes.

Financial Loss for Unpaid Public Service

2. With effect from 1 April 1992 the total payments which may be made in respect of financial loss shall not in any case exceed either -

£20.70 where the period in respect of which such loss is incurred is not more than 4 hours; or

£41.40 where the said period is more than 4 but not more than 24 hours.

Payments may be made in respect of successive periods, subject to the 4 and 24 hour limits mentioned above.

Motor Mileage Allowances

3. Retrospective increases in the rates of motor mileage allowances with effect from 1 April 1992 are as follows:-

Motor Cars With Engine Capacity	Up to 1500cc	1501cc to 2000cc	Over 2000cc
Up to 5,000 miles	35.7	40p	43p
Over 5,000 miles	17p	21p	27p

26 November 1992

Circular 1988(GEN)24 is cancelled and Circular 1991(GEN)14 is amended

Addressees

For action:
General Managers,
Health Boards

General Manager,
Common Services
Agency

General Manager,
Health Education
Board for Scotland
Chief Executives and
Chief Executive
Designate, NHS
Trusts

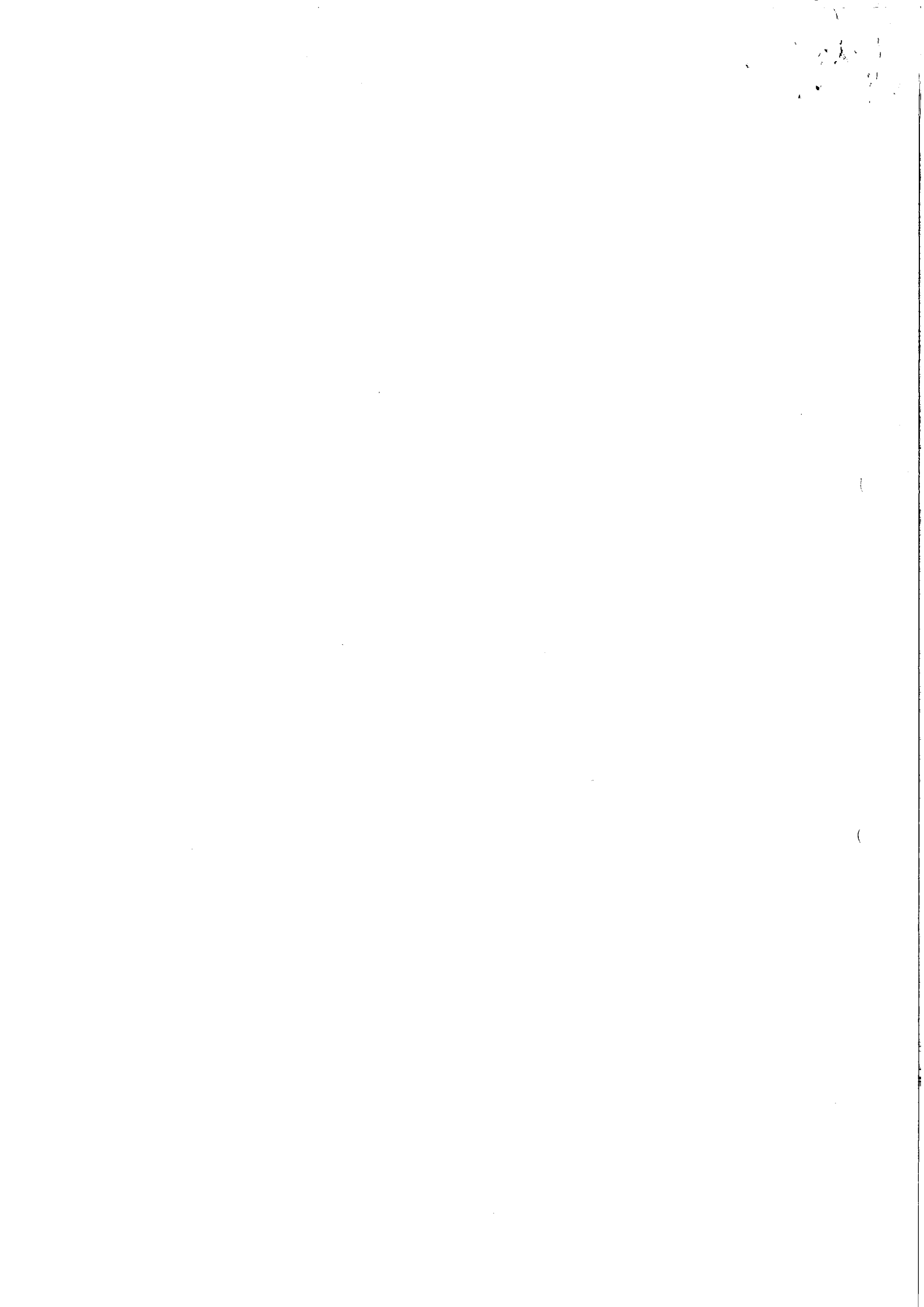
General Manager, State
Hospital

To be copied to Unit
General Managers for
action

Enquiries to:

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Administration
NHS Management
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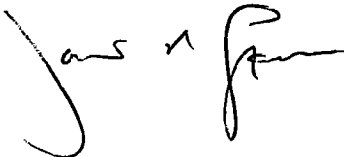
Motor Cycles With Engine Capacity	Up to 125cc	Over 125cc
Up to 4,000 miles	14.1	21.8
Over 5,000 miles	5.8p	8.6p

Action

4. This letter should be brought to the notice of those officials who administer payment of travelling allowances etc.

5. This circular should be copied to Unit General Managers for action.

Yours sincerely



DAVID STEEL
Director of Administration

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(i) Motor Mileage Allowances (SMR) (1991-92) and FPCS Bands

Car Engine Size (cc)	Allowances (p/mile)		FPCS Relief (p/mile)	
	Up to 7000 miles	Over 7000 miles	Up to 4000 miles	Over 4000 miles
Up to 1500	35.7	13.0	30.0	13.0
1501-2000	37.0	15.0	34.0	16.0
over 2000	39.0	17.0	45.0	20.5

(ii) Applicable Taxable Excess

Mileage	Up to 1500cc	1501-2000cc	Over 2000cc
0-4000 miles	5.7p	3p	Nil
4000-7000 miles	22.7p	21p	18.5p
Over 7000 miles	Nil	Nil	Nil

3. With regard to travel in excess of 7000 miles in cars over 1500cc it will be noted that the difference between the motor mileage allowance and the FPCS rate produces a tax credit situation. This will be taken into account in determining the full tax liability due.

4. This notice also announces an increase in the rates of SMR from 1 April 1992 and introduces a lower threshold of 5,000 miles above which a lower rate of SMR will apply. The FPCS rates have also been increased from 1 April 1992 and all new rates are set out in Appendix B. All rates have been agreed with the Council of Civil Service Unions.

The taxable excess for 1992-93 given no adjustment to the FPCS rates. will be:-

Mileage	Up to 1500cc	1501-2000cc	Over 2000cc
0-4000 miles	5.7	2p	Nil
4000-5000 miles	18.7	19p	16p
Over 5000 miles	Nil	Nil	Nil

5. All credits due in determining tax liability will be calculated as detailed in paragraph 3 above, with the exception of the 7000 miles threshold being reduced to 5000 miles.

6. A table showing taxable profit is attached at Appendix A.

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STANDARD RATE OF MOTOR MILEAGE ALLOWANCE

SUMMARY OF PROFITS

MILEAGE	UP TO 1500cc	1501-2000cc	OVER 2000cc
0 - 499	0	0	0
500 - 1499	0	0	0
1500 - 2499	0	0	0
2500 - 3499	140	0	0
3500 - 4499	190	100	0
4500 - 5499	340	220	0
5500 - 6499	560	430	0
6500 - 7499	790	640	220
7500 - 8499	900	740	290
8500 - 9499	900	730	260
9500 - 10499	900	720	220
10500 - 11499	900	710	190
11500 - 12499	900	700	150
12500 - 13499	900	690	120
13500 - 14499	900	680	0
14500 and above	900		0
		Reducing by £10 per 1000 mile step	0

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MOTOR MILEAGE ALLOWANCES

Cars with engine capacity:	Up to 1500cc	1501cc- 2000cc	Over 2000cc
	p per mile	p per mile	p per mile

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Up to 5,000 miles	35.7	40	43
Over 5,000 miles	17	21	27

	1001- 1500cc	1500cc- 2000cc	Over 2000cc
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FPCS rates

Up to 4,000 miles	30	38	51
Over 4,000 miles	17	21	27

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PUBLIC TRANSPORT RATE OF MOTOR MILEAGE ALLOWANCES

SUMMARY OF PROFITS

MILEAGE	Allowances @ 18.8p per mile	Relief @ 32p/14.5p mile	Profit, Assessable
0 - 499	-	-	0
500 - 1499	94	160	0
1500 - 2499	282	480	0
2500 - 3499	470	800	0
3500 - 4499	658	1120	0
4500 - 5499	846	1353	0
5500 - 6499	1034	1498	0
6500 - 7499	1222	1643	0
7500 - 8499	1410	1788	0
8500 - 9499	1598	1933	0
9500 - 10499	1786	2078	0
10500 - 11499	1974	2223	0
11500 - 12499	2162	2368	0
12500 - 13499	2350	2513	0
13500 - 14499	2538	2658	0
14500 - 15499	2726	2803	0
15500 - 16499	2914	2948	0
16500 - 17499	3102	3093	0
17500 - 18499	3290	3238	0
18500 - 19499	3478	3383	0
19500 - 20499	3666	3528	130
20500 - 21499	3854	3673	180
21500 - 22499	4042	3818	220
22500 - 23499	4230	3963	260
23500 - 24499	4418	4108	310
24500 - 25499	4606	4253	350

COMMON SERVICES AGENCY	
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REFERRED TO	ACTION TAKEN