

All new cars registered from 1 July 2008 will have their motor tax rate based on the CO2 emissions level. The new CO2 based system will **not apply** to second-hand imports that were registered abroad prior to 2008.

New cars registered between 1 January 2008 and 30 June 2008 will initially have their motor tax charged on the basis of the existing engine size (c.c.) system. However, a low CO2 emitting new car registered between 1 January 2008 and 30 June 2008 will have its motor tax switched to the lower CO2 based motor tax rate on first renewal of motor tax post 1 July 2008, when the new CO2 based system commences. New cars which are registered in the first 6 months of 2008 whose tax would be more under the new CO2 based system will continue to pay motor tax on the basis of engine size (c.c.).

Motor tax rates will be graduated as one moves up the CO2 bands, as follows:

Band A, which corresponds to CO2 emissions of under 120grams per kilometre - motor tax rate of €100.

Band B, which corresponds to CO2 emissions of between 121 and 140 grams per kilometre - motor tax rate of €150.

Band C, which corresponds to CO2 emissions of between 141 and 155grams per kilometre - motor tax rate of €290.

Band D, which corresponds to CO2 emissions of between 156 and 170 grams per kilometre - motor tax rate of €430.

Band E, which corresponds to CO2 emissions of between 171 and 190grams per kilometre - motor tax rate of €600.

Band F, which corresponds to CO2 emissions of between 191 and 225 grams per kilometre - motor tax rate of €1,000.

Band G, the top band - motor tax rate of €2,000, reflecting CO2 emissions of over 225grams per kilometre.

Cars registered before 2008 (i.e.) cars in the current motor tax system before 2008) will continue to be taxed under the existing system related to engine size (cc).

From July 2008 there will be two separate tax systems for cars. Cars under the current motor tax system will continue to be taxed based on engine size (cc). New cars registered from 2008 will be taxed based on CO2 emissions level. New low CO2 emitting cars purchased in the first six months of 2008 will be switched to the CO2 system on first renewal of motor tax after July 1st 2008.