

## Employee Car Ownership

# Tax efficient and motivational way to fund vehicles.

An Employee Car Ownership (ECO) scheme is a means of sourcing and funding vehicles which can work out more tax efficient for the employee, and less costly for the company. It is suitable if you run a large fleet (300+), with well integrated management processes and relatively low levels of staff turnover.

### Our product.

The main difference between ECO and Contract Hire is that the employee has ownership of the vehicle. The contract is drawn up for a fixed period, and mileage, but during the term the employee retains ownership. As the vehicle is technically owned by the employee they do not pay Benefit in Kind tax and the employer does not pay National Insurance on the car benefit.

We have a dedicated team that will help you decide if ECO is right for your fleet; with our in-depth consultancy process we'll guide you through the implementation process.

### ECO – the benefits.

ECO schemes can offer a number of cost savings, on average in excess of £900 per vehicle per year. As it is recognised by HMRC as a privately-owned vehicle, employees do not pay Benefit In Kind tax but instead pay a monthly contribution towards the cost of the vehicle.

Included in all our ECO schemes is Fleet Management and maintenance reducing administration, covering vehicle upkeep costs and helping compliance with Health and Safety obligations.

### Employee Car Ownership includes:

- Maintenance and fleet management
- Fixed monthly payments
- Flexible terms and mileage – minimum 24 months to maximum 60 months
- Full consultation and analysis on the suitability for your fleet
- Off-balance sheet funding.

### How it works.

Due to their complexity, ECO schemes are most suitable for larger fleets (300+) with drivers who average more than 6,000 business miles per year. They also depend upon the regular collection of mileage and expenses data. You supply the data, and we manage the design, implementation and operation of the scheme. We can also provide the framework to capture your driver's monthly mileage.

For further information on ECO schemes please contact your Relationship Manager or

call: 0800 085 4128

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or visit: [www.lexautolease.co.uk](http://www.lexautolease.co.uk)