

# Fuel Scale Charges

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Sage

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# Fuel Scale Charges.

## What is a fuel scale charge?

*“A scale charge is a way of accounting for output tax on road fuel bought by a business for cars that is then put to private use.”*

**HMRC – Motoring expenses (VAT Notice 700/64)**

# Fuel Scale Charges.

## Options for dealing with VAT charged on fuel

- **Vehicle used for business use only**
  - Reclaim all of the VAT
- **Vehicle used for business and private use**
  - Reclaim all of the VAT and pay the appropriate fuel scale charge
  - Reclaim only the VAT that relates to fuel used for business mileage
  - Reclaim no VAT

# Fuel Scale Charges.

## Prepare your nominal codes

<b>Nominal Code</b>	<b>Name</b>	<b>Management Report</b>	<b>Report Section</b>
2200	Sales Tax Control Account	Balance Sheet	Current Assets & Liabilities
7350	Scale Charges	Profit and Loss	Overheads

**Note:** Both nominal codes are included in the default nominal ledger.

# Fuel Scale Charges.

## Calculate your scale charge

<b>Car's CO2 emissions</b>	Log book (VC5) – vehicle registration certificate	150
<b>VAT Return Period</b>	Monthly / Quarterly / Annually	Quarterly

## Look up your scale charge

- [HMRC Public Notice 700/64 Motoring Expenses](#)
- Use the HMRC online tool

**Fuel Scale Charge**

Quarterly charges			
CO2 band	VAT fuel scale charge, 3 month period (£)	VAT on 3 month charge (£)	VAT exclusive 3 month charge (£)
120 or less	174	29	145
125	262	43.67	218.33
130	279	46.50	232.50
135	296	49.33	246.67
140	314	52.33	261.67
145	332	55.33	276.67
150	349	58.17	290.83
155	367	61.17	305.83
160	385	64.17	320.83

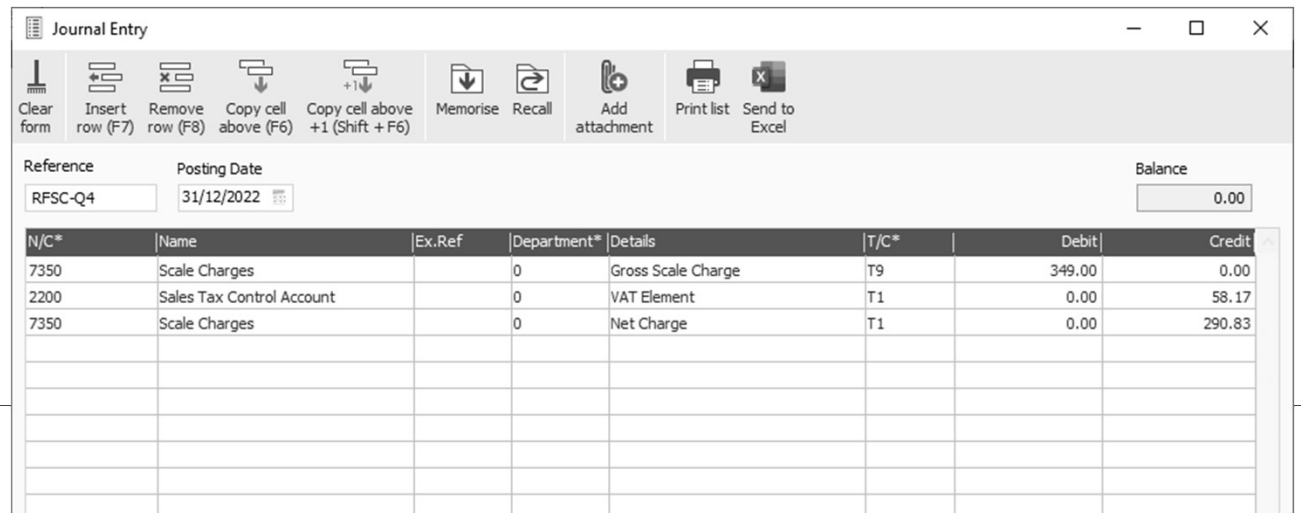
# Fuel Scale Charges.

## Post your scale charge - Manually

- Nominal codes > Journal entry
  - Manual journal
  - Memorise/Recall
  - Bank > Recurring items
  - Import > Audit Trail transactions

## Impact on VAT Return

- Box 1 – Increase
- Box 6 - Increase



The screenshot shows the Sage Journal Entry window. The title bar reads "Journal Entry". The toolbar includes icons for "Clear form", "Insert row (F7)", "Remove row (F8)", "Copy cell above (F6)", "Copy cell above +1 (Shift + F6)", "Memorise", "Recall", "Add attachment", "Print list", and "Send to Excel".

Reference: RFSC-Q4  
Posting Date: 31/12/2022  
Balance: 0.00

N/C*	Name	Ex.Ref	Department*	Details	T/C*	Debit	Credit
7350	Scale Charges		0	Gross Scale Charge	T9	349.00	0.00
2200	Sales Tax Control Account		0	VAT Element	T1	0.00	58.17
7350	Scale Charges		0	Net Charge	T1	0.00	290.83

# Fuel Scale Charges.

## Post your scale charge - Wizard

- VAT > Scale charges
- Modules > Wizards > Scale Charges

### Note:

Not available in Sage 50 Accounts Essentials or if set up on a Flat Rate VAT scheme.

## Impact on VAT Return

- Box 1 – Increase
- Box 6 – Increase

Scale Charges

### Scale Charges

**1 Enter Details**

**2 Confirm Details**

**Enter Details**  
Enter the details of your calculated fuel scale charges below.

Scale charges account\* 7350 Gross scale charge\* 0.00

Posting date\* 05/12/2022 Tax code\* T1 20.00

Reference VAT scale charge 0.00

Details Net scale charge 0.00

Cancel Back Next



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and watch recordings later today.



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