

Fuel Scale Charges

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Sage

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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

Nominal Code	Name	Management Report	Report Section
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

Car's CO2 emissions	Log book (VC5) – vehicle registration certificate	150
VAT Return Period	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

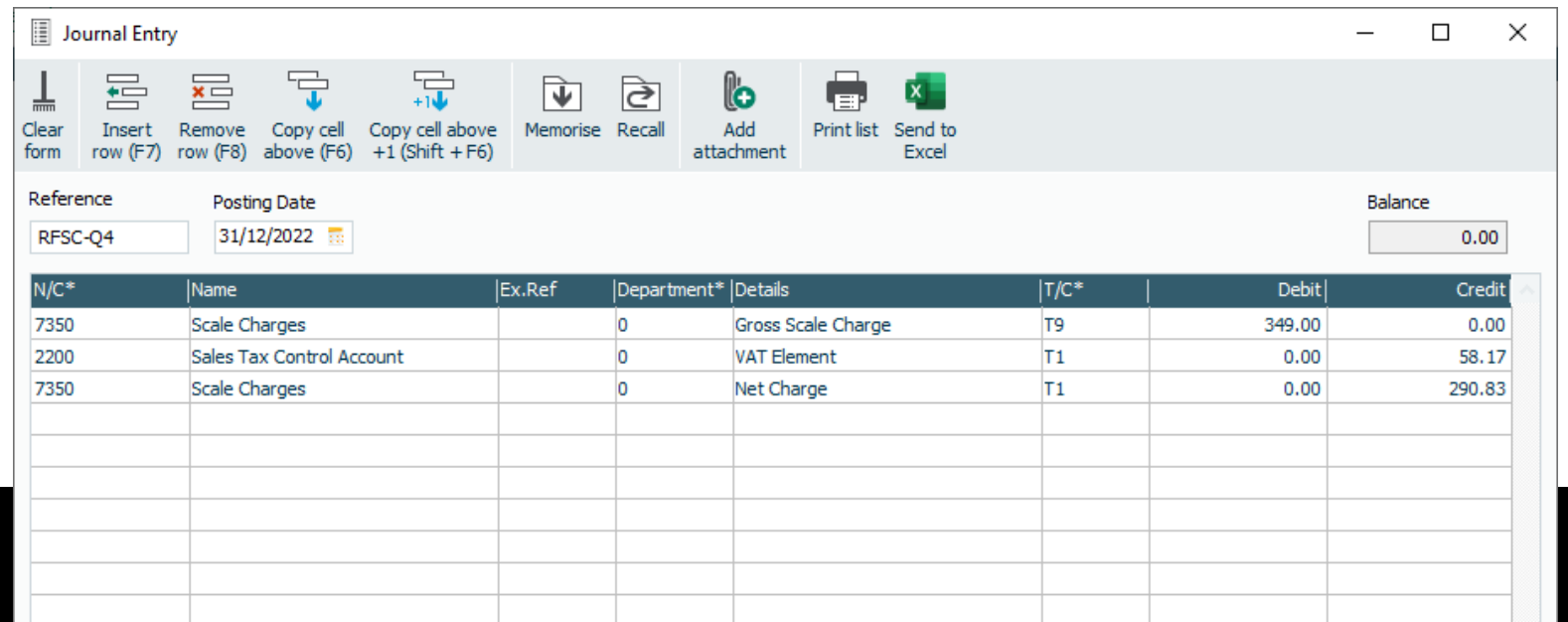
Fuel Scale Charges.

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 ribbon contains the following icons and labels: 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. Below the ribbon, the "Reference" field contains "RFSC-Q4" and the "Posting Date" field contains "31/12/2022". The "Balance" field on the right shows "0.00". The main table has the following columns: N/C*, Name, Ex.Ref, Department*, Details, T/C*, Debit, and Credit. The table contains three rows of data:

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

Thank you!

Please take a minute to complete the short exit survey as you leave.

You'll receive a follow-up email with links to register for future webinars
and watch recordings later today.

