

Drive electric for less with Salary Sacrifice

Smart savings that go further
— an employee's guide



powered by
Partnerjurni

What is Salary Sacrifice?

Salary sacrifice lets you drive a brand-new electric or plug-in hybrid car by making payments directly from your gross salary.

This reduces both your Income Tax and National Insurance Contributions. You can choose a 2, 3, or 4-year contract, with flexible mileage options of up to 100,000 miles over the term. It's a cost-effective and convenient way to make the switch to electric.

With salary sacrifice, you lease the car through your employer, with payments deducted directly from your gross salary. Best of all, it's not just the car — your insured lease includes servicing, maintenance, Breakdown Assistance, tyre replacement, Glass Damage Protection, and Accident Management.

Key benefits

- ✓ Save money on tax and National Insurance Contributions (NICs)
- ✓ No deposit or credit checks
- ✓ Choose a greener electric or plug-in hybrid vehicle
- ✓ Your insured lease covers servicing, maintenance, breakdown cover, and more
- ✓ Take advantage of low Benefit in Kind (BiK) tax rates



It's really quite simple

Switching to an electric car through Salary Sacrifice is straightforward. From selecting your vehicle to enjoying tax-efficient driving, the entire process is designed to be hassle-free.

How it works

- 1** Choose your ideal electric or plug-in hybrid car
- 2** Your employer handles the setup and deducts a fixed amount from your monthly gross salary
- 3** Drive away and enjoy a fully maintained, insured lease — with big tax savings



You could save big on driving electric

Salary Sacrifice can deliver substantial savings — often thousands of pounds per year — depending on your tax bracket and vehicle choice. For example, a 40% taxpayer could save over £2,700 in the first year alone with a fully maintained, insured electric vehicle lease.

Tesla Model 3
RWD 4dr Auto



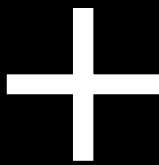
Vehicle images by IMAGIN.studio. For illustration purposes only.

Save over
£2,700
in one year!



Gross salary sacrifice ¹	£727	Jurni will apply the biggest discounts available and pass them on to you. This amount is deducted from your gross salary before tax.
Employee tax saving	-£265	The income tax and National Insurance Contribution you pay is reduced due to salary sacrifice.
BiK at 3% ²	+£40	Because you are receiving a benefit from your employer, you will pay BiK tax.
Net cost/employee pays	£502	You can make significant savings with salary sacrifice.

**31%
Saving**



Plus, your insured lease includes servicing, maintenance, tyres, Glass Damage Protection, Breakdown Assistance, and more!³

1. Illustrative quote based on a 48-month agreement, 8,000 miles per annum, for a 40% taxpayer, employed as an Account Manager, living in Dorset, aged 40. Figures correct as of January 2025. Figures may vary depending on scheme setup. E&OE.
2. BiK rates are favourable for zero and low-emission vehicles. [See FAQs](#) for 2025-2029 rates.
3. Terms, conditions and exclusions apply. Read your agreement carefully before signing.

What's included with Salary Sacrifice

No credit checks, no deposits, no hassle — just one all-inclusive package with everything you need.¹



1. Subject to acceptance criteria. Terms, conditions and exclusions apply. Read your agreement carefully before signing.
2. Exclusions apply. Subject to a Customer Incident Charge (CIC). [See FAQs](#) for more information.
3. Fixed at £100 for glass replacement or £250 for a high-value electric vehicle. [See FAQs](#) for more information.

What's included	What's provided
Insured lease	An insured leased vehicle covering the cost of repairs in the unfortunate event of an accident, fire or theft. ² Cover for business and personal use included.
Fixed monthly rentals	One fixed price set for the duration of your agreement for easy budgeting.
Guaranteed Maintenance	Cover for servicing, maintenance and repairs (including MOTs) for peace of mind. ¹
Breakdown Assistance	Comprehensive cover includes roadside assistance & recovery and a replacement vehicle for the first 48 hours. ¹
Tyre replacement	Replacement tyres subject to Fair Wear and Tear. Tyres are chargeable in cases of abuse, neglect, theft or vandalism.
Glass Damage Protection	Repair and replacement of all body glass. Replacement glass is subject to a Customer Incident Charge (CIC). ³
Road Fund Licence	Road Fund Licence is included at the current rate, but any government increases are your responsibility.
Accident Management	A fast, efficient and seamless claims service.
Total Loss Shortfall Protection	Cover to bridge the finance gap in the event of a write-off.
Non-fault replacement vehicle	A like-for-like replacement vehicle if an incident is considered non-fault and there is a known third party. ¹

Why go electric?

Electric vehicles offer lower running costs, and a smoother, tech-savvy driving experience. Switching to electric helps save money and supports a cleaner, greener future.

Support every step of the way

From your initial enquiry to vehicle delivery and beyond, your Salary Sacrifice journey is designed to be smooth and stress-free. You can count on fast, knowledgeable support and easy-to-use tools whenever you need them.

Benefits you'll love

- ✓ Big savings on running costs
- ✓ Predictable monthly expenses
- ✓ Access to popular electric models at competitive rates
- ✓ Cleaner driving that feels good too



Frequently asked questions

Is a salary sacrifice car classified as a company car?

Yes, a salary sacrifice car is technically considered a company car because it is provided through your employer as part of your benefits package. Since the car is offered in exchange for a reduction in your gross salary, it falls under the definition of a company car for tax purposes.

Do I pay Benefit in Kind (BiK) tax on a salary sacrifice car?

Yes, BiK tax applies, but here’s the good news: electric cars have the lowest rates, helping you save more!

What is Benefit in Kind (BiK) tax?

Employees pay BiK tax on perks they receive from their employer, like a company car, on top of their salary. HMRC calculates BiK separately from your salary, so the BiK tax is deducted before your pay reaches your bank account.

How is BiK tax calculated?

BiK tax is based on two factors: your car’s CO₂ emissions and the car’s P11D value (the list price of your car including VAT and delivery fees but excluding first registration fees and annual Road Fund Licence).

What are the BiK tax rates?

Lowest BiK rates apply to zero and low-emission vehicles:

Tax Year	BiK Rate
2025/26	3%
2026/27	4%
2027/28	5%
2028/29	7%
2029/30	9%

Lower BiK rates make switching to an electric car through salary sacrifice an affordable choice, with big savings compared to the 37% rate for high-emission vehicles.

Scheme criteria

At the time of driving, to be eligible you must:

- Be a UK resident
- Have completed your probation period
- Have been employed for at least 6 months in your current role and receive PAYE pay
- Intend to stay employed for the duration of the agreement
- Not be planning to retire before the agreement ends
- Ensure your salary does not drop below the National Minimum Wage after salary sacrifice

Driver criteria

At the time of lease quotation acceptance, to drive a vehicle under this scheme, you must:

- Be aged 21-70
- Hold a full UK/EU driving licence, valid for at least one year

- Not have been advised by the DVLA or a medical professional to stop driving due to health reasons
- Be the driver, their spouse, partner, or immediate family member (parents, siblings, or children) – provided they also meet this criteria
- Have no more than 6 penalty points on your driving record in the last 5 years
- Have had no more than two at-fault claims in the past 24 months
- Have not received a driving ban in the last 5 years
- Have never been refused insurance in the past
- Ensure that any additional drivers meet this criterion

Important: Penalty points stay on your licence for at least 4 years, as per DVLA¹ guidelines.

1. The DVLA (Driver and Vehicle Licensing Agency) is the UK government agency responsible for maintaining driver and vehicle records.

Frequently asked questions

Additional criteria for high-value electric vehicles

To qualify for a high-value electric vehicle, you must:

- Be aged 25-70
- Be the driver, their spouse or partner
- Have no penalty points on your driving licence in the past 5 years
- Have had no at-fault claims in the past 24 months
- Have no unspent driving bans on your driving record

Important: High-value electric vehicles include Teslas and any vehicle with a list price of £60,000 or more. For the latest list, please contact your scheme administrator.

Will points on my licence affect my insured lease cost?

Yes, having points on your licence may change the cost of your insured lease. Our underwriting team will review this on a case-by-case basis.

How does salary sacrifice affect my take-home pay and tax contributions?

Salary sacrifice reduces your gross salary, which lowers your income tax and National Insurance Contributions. The reduction is offset by the savings and benefits you gain with a salary sacrifice car including an insured lease and maintenance.

What vehicles are available through the scheme?

We partner with leading manufacturers to offer the latest electric and plug-in hybrid models. Options are selected to align with your employer's preferences and provide a wide range of low and zero-emission vehicles to suit different needs.

Are maintenance and insurance costs included?

Yes, the scheme is designed to be hassle-free. Your insured lease includes maintenance, servicing, repairs, and Breakdown Assistance in one fixed monthly payment, giving you complete peace of mind.

What happens if I leave my job during the lease period?

If you leave your job, the vehicle will need to be returned or transferred. Early termination fees will be clearly communicated before you sign up.

Can I choose a used or pre-owned vehicle?

Currently, the scheme focuses on brand-new vehicles to ensure optimal reliability, manufacturer warranty coverage, and overall driver satisfaction. However, options for pre-owned vehicles are being explored for future inclusion.

How does the scheme affect my pension contributions and other benefits?

Salary sacrifice reduces your gross pay, which may impact contributions to salary-based benefits such as pensions. However, the effect is usually minimal. We recommend discussing this with your HR or payroll team to understand the specific impact on your benefits.

What is the early termination policy?

If you leave your employer or face unforeseen circumstances, support will be provided to minimise any disruption. Any applicable early termination fees will be clearly outlined in your agreement, ensuring full transparency from the start.

What contract lengths are available?

You can choose from 2, 3, or 4-year contracts, depending on what works best for you.

What's the minimum and maximum mileage I can choose?

The scheme offers flexibility, with mileage options tailored to your needs. The minimum annual mileage is 5,000 and the maximum contract mileage is 100,000 miles, ensuring you're covered whether you drive a little or a lot.

Can I change my mileage allowance during the agreement?

Yes, it's often possible to adjust your mileage allowance with the funder during your agreement.

Frequently asked questions

Who is responsible for informing HMRC when I get a salary sacrifice car?

When your salary sacrifice car is delivered, we recommend that you contact HMRC to inform them that you have taken delivery of a "salary sacrifice vehicle". You can do this by phone or by checking your Personal Tax Account online.

When contacting HMRC, you will need to provide: Your National Insurance number, the car's P11D value and its CO₂ emissions.

HMRC may also ask whether you make a personal contribution to the vehicle - your response should be "No".

Your employer is typically responsible for notifying HMRC about the vehicle, but this may only be done annually. This notification ensures your tax code is adjusted correctly so that the Benefit in Kind (BiK) tax is deducted from your salary each month.

Failure to notify HMRC promptly could result in tax arrears, and HMRC may recover these costs through your salary in the following tax year.

Customer Incident Charge (CIC)

In the event of an incident where you're at-fault, or we can't recover costs from the responsible party, you'll need to pay a Customer Incident Charge (CIC). This includes cases such as theft, attempted theft, fire, weather damage, or damage caused by an unidentified third party.

The CIC amount depends on the number of 'at-fault' incidents during the contract. We use an escalating CIC system to help keep your monthly rental fixed, avoiding price increases. This charge helps cover losses from the incident. Some high-value electric vehicles have a higher CIC due to expensive repair costs.

If we can recover 100% of the costs from a third party, the CIC won't apply. If the repair cost is lower than the CIC, you'll only be charged for the actual repair amount.

Example of CIC charges:

- **1st at-fault incident:** £250
- **2nd at-fault incident:** £350
- **3rd at-fault incident:** £750

Example of CIC charges for high-value electric vehicles:

Vehicle	CIC
Audi Q8 e-tron	£1,000
Audi SQ8 e-tron / e-tron GT	£2,000
BMW iX xDrive40 / i5 eDrive40	£1,000
BMW i5 / i7 / iX	£2,000
Jaguar I-PACE	£1,000
Mercedes-Benz EQE / EQS	£2,000
Polestar 3	£2,000
Porsche Taycan / Macan	£2,000
Porsche Macan 4	£1,000
Tesla Model 3 / Y	£750
Volvo EX90	£2,000

Important: For the latest high-value car list, please contact your scheme administrator.

Glass Damage Protection

We take care of repairing or replacing body glass on your vehicle. Just report the damage to us, and we'll arrange the repair through our network.

If the glass needs to be replaced, a fixed Customer Incident Charge (CIC) applies:

- £100 for standard vehicles
- £250 for high-value electric vehicles

If the glass can be repaired there's no charge.

Looking to grow, stay flexible, or cut costs?

Whether you're working to improve efficiency, stay compliant, or deliver better benefits to your team — we're here to help you make it happen.

Get in touch today

You'll speak to someone who understands your challenges, brings real expertise, and is focused on making it work for your business.

📞 0330 202 0973

✉️ enquiries@kineticleasing.co.uk

🌐 www.kineticleasing.co.uk



Kinetic Vehicle Leasing is a trading name of Kinetic Vehicle Leasing, a company registered in Scotland no SC823372 whose registered and trading address is 139/2 George Street Edinburgh Scotland EH2 4JY. Our VAT number is 476 2060 91.

We're an Appointed Representative of Jurni Limited who are authorised and regulated by the Financial Conduct Authority for credit broking activities. Our Firm Number is 827193 and our Principal Firm, Jurni Limited's Firm Reference Number is 631448. You can check this information at www.fca.org.uk or by contacting the FCA direct on 0300 500 8082. We're registered with the Information Commissioners Office for the processing of data and our Data Protection registration number is ZA481466. You can check this information at www.ico.org.uk.

We offer a range of optional ancillary products, such as Flexi Rental, Fuel Cards, Fleet Management, and Servicing, Maintenance & Repair plans, through our panel of third-party providers. We only use this panel and do not search the complete market. We do not offer advice on these products but aim to provide clear, factual information to help you make an informed decision. We will receive a commission, which can be either fixed or variable, for each product sold. This commission may vary depending on the product and provider and is included in the price you pay, it does not increase the cost beyond the advertised amount and does not affect the product's features or the information we provide. You can request details of any commission we receive before making a purchase. For more information, please refer to our Commission Disclosure Policy on our website.

We are a Credit Broker. We are not a Funder or a Lender.