

Vehicle tax changes coming?

Ahead of the Autumn Budget, set for Wednesday 26th November 2025, one possible tax option the Chancellor will have on her list is likely to be higher road tax rates on large and heavy cars like SUVs and EVs. Around 75% of these large, highly-polluting and heavy vehicles are registered to people in urban areas but oddly less SUVs are bought in rural or hard-to-reach areas where they need a large vehicle with off-road capabilities to get about.

Growth in sales of large, medium and smaller SUVs

The growth of SUVs has been a clear feature of car sales data over the last five or more years. In 2024 SUV sales of 1,145,456 cars were 62.4% of all new cars sold in the UK. Market research indicates 60% of people contacted felt SUVs were bought more as a status symbol than for their practical use. Only 21% in the survey disagreed.

Key features of the effect of growth of SUVs in the UK We have seen a significant increase in the size of many new cars and particularly SUVs with consequent driving issues particularly on relatively narrow urban roads.







3.05m

1.41

BMW Mini

4 70---

3.82m

"Relative size" is also an issue for drivers of smaller cars

Even drivers of modern hatchbacks and saloons like Minis produced recently or in the last ten years or more, and of course for drivers of classic cars like MGV8s, are very

aware of how modern cars, but particularly SUVs and EVs have increased in size so the visibility of older cars has become a concern.

Comparing a Classic Mini with a current BMW Mini the increase in size is: +25.5% (length), +22.7% (width) and with height a modest 4.44%. Frontal area is up by about 28%.

See our article released in 2020 on the topic of "the relative size" of classic and modern cars. Link

Parking problems with large SUVs & EVs

Another issue is SUVs are becoming too large for the existing standard car parking bays and roadside parking spaces – both the **width** of an SUV leaving very little space alongside a similar car parked in another bay and with the longer **length** of some of the larger SUVs which overhang a standard parking bay.

Significant increase in the weight of SUVs and EVs

This is also having an increasing and damaging effect on both the road surface and structure which has contributed to the significant growth in potholes seen in main and secondary roads and occasionally on motorways. See our article of road damage from heavier vehicles. Link

SUVs have created a higher risk of serious injuries to pedestrians and cyclists from collisions, not least because of the higher frontal area on SUVs.

Chancellor's tax change options with SUVs & EVs

A few years ago a higher annual road tax rate was introduced for cars with a purchase price just over £40,000 and that tends to catch many SUVs. It also catches EVs following the Chancellor's extension of road tax to EVs in a previous Budget Statement and that tax has now come into effect.

Extending a higher rate of road tax linked with the weight of a car is likely to be seen as an option that raises tax revenues from heavier vehicles that have a damaging effect on both road surface and structure and hence contribute to heavy road maintenance and repair costs. It will also be seen as a tax that can be raised from "the wealthy" who it is felt can afford to buy an SUV or EV and pay the running costs of an SUV. The typical running cost for a larger SUV is around 20p to 21p a mile.

So with a Chancellor searching for options for new taxes it's possible "Chelsea tractors" could be on her options list!

1.35m

1.14m