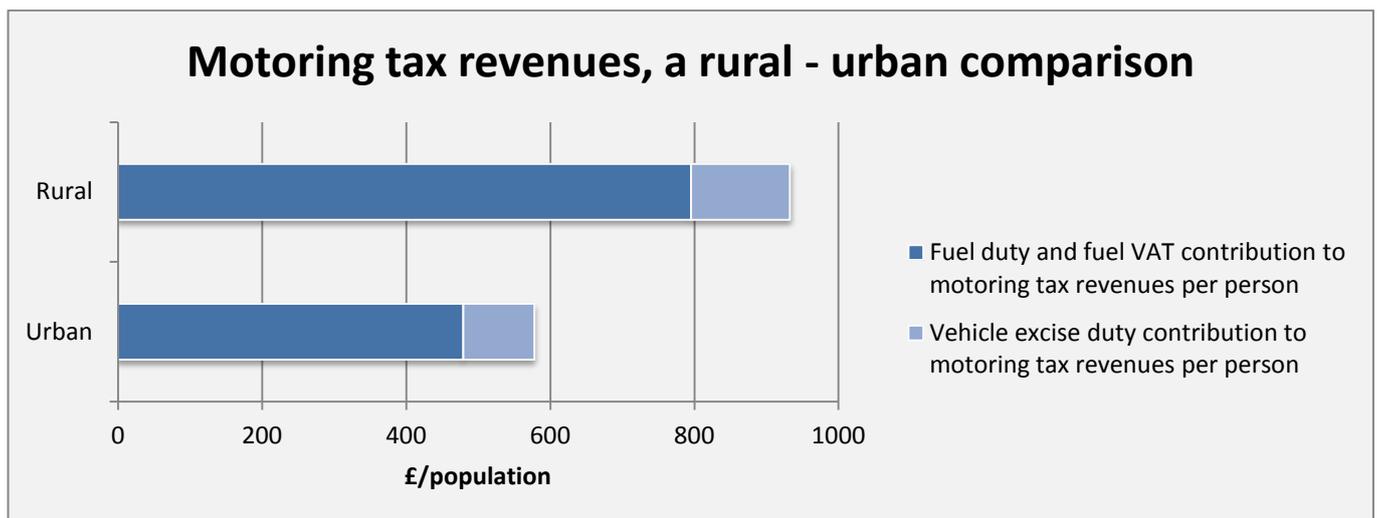


Car Ownership in Rural England

Census 2011 data relating to car or van availability demonstrates that rural households generally own more vehicles than urban households. (<http://www.rsnonline.org.uk/rural-transport/car-ownership>) This opened up the question of how much more rural dwellers might be paying in taxes due to this additional need.

Using data from the sources listed below, it was possible to calculate the proportion of motoring tax revenue derived from car use both for the rural person and his urban neighbour. It showed that due to the additional vehicles per household and the relatively longer distances travelled, the rural resident pays 66% more in fuel duty and fuel VAT, and 38% more in vehicle excise duty.



It should be noted that the tax revenues shown above are indicative due to assumptions made in calculating an average Vehicle Excise Duty, assumptions made in relative fuel economies during urban/rural driving conditions, as well as the robustness of the Car Traffic (vehicle miles) at the local authority level, and thus should not be considered as a precise measure of rural and urban cost. However, the calculations clearly succeed in confirming the intuitive expectation that rural communities are contributing more in tax due to their reliance on private transportation.

It would also be worthwhile to note that in rural communities, four wheel drive vehicles which naturally attract higher vehicle excise duties are a real lifeline and can play a vital role in keeping communities connected during periods of extreme weather. The calculations within this analysis do not take account of the relative rural/urban ownership of such vehicles, and also does not account for the relative age of the vehicles within the communities. This is due to the necessary data being unavailable, but could in reality widen the gap further between the rural and urban position.

Data Sources:

2011 Census - Car or van availability

Fuel for Thought. The what, why and how of motoring taxation. (Paul Johnson, Andrew Leicester and George Stoye - May 2012). Institute for Fiscal Studies – Motoring tax revenue 2010/11

Census 2011 - Population

Office for National Statistics – Rural/urban classification

Department for Transport, Road Traffic Estimates 2011 – Car traffic (vehicle miles) by local authority