



Lloyd's Financial Q&A Column

Grantham-based tax and accountancy specialist Lloyd Stubbs gives advice on financial matters to small businesses

What are the changes for double cab pick-up trucks?

Q: I own a pick-up truck for my business and I am not sure if the tax changes from April will affect me – what is changing?

A: In short, classification of double cab pick-ups (DCPUs) changed from April 2025.

Previously, when classifying a double cab pick-up as a car or a van, the main consideration was the payload* of the vehicle. A double cab pick-up** with a payload of one tonne (1,000kg) or more was accepted as a van for benefit in kind and capital allowance purposes. Any DCPU under one tonne was classified as a car.

From 1st April 2025, the changes in classification of DCPU means that most double cab pick-ups will now be classified as cars, because they are suited to carrying passengers.

The changes mean that under benefit in kind rules, the company car rules will apply, rather than the flat rate benefit value for vans.

Typically, company car benefits give rise to higher tax liabilities for employees and employers.

If you already own a DCPU, then transitional rules will apply meaning its current treatment will apply until the earlier of:

- Disposal date
- Date of lease expiry
- 5th April 2029

The changes do not affect single cab pickups.

** Payload means gross vehicle weight less unoccupied kerb weight.*

*** A double cab pickup normally has a front passenger cab with a second row of seats, seating five people. It has four doors capable of being opened independently and an uncovered pickup area behind the passenger cab.*

Is a limited company the best entity for my business?

Q: I'm starting up in business as a limited company. Is this the best entity for me and can anybody access my accounts?

A: When starting a business, you can choose what type of entity you want to operate as. Some of the options are sole trader, partnership or limited company.

There will be advantages and disadvantages to each option, but careful consideration should be given as to which type of entity would be best for you by looking at criteria such as any other income you may receive, and the level of profits you expect to make. Your accountant would be best suited to sit down and look at the facts and your own personal circumstances to review which option maybe best for you.

If you operate as a sole trader or a partnership, your accounts do not get published anywhere, the information is just incorporated into your self-assessment tax return which is only submitted to HMRC.

If you are a limited company, there is a formal requirement to file your accounts with Companies House, and although the accounts that are filed do not show the full information, what is filed is still available for any member of the public to access.

Lloyd Stubbs specialises in managing tax and accountancy affairs for small business owners and can be contacted by phone or email

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