

New pay-per-mile car tax will hit drivers on 'lower wages' with 'key workers' affected

Story by Luke Chillingsworth



traffic jam© Getty

New [pay-per-mile car tax changes](#) could have a massive impact on those on "lower wages" with "key workers" likely targeted, a top Tory peer has warned.

Kevin Foster, former transport secretary and Conservative member of the House of Lords warned charging drivers by mileage instead of a flat fee would simply be another "tax burden".

He warned the system would proportionally have a bigger impact on those poorest in society with these individuals forced to leave their house to work, therefore clocking more miles.

Those on better incomes such as "wealthy professionals and public sector workers" can decide to stay at home and [therefore not get behind the wheel](#).

Kevin warns "millions" could be impacted if a new system is drawn up and implemented in [what would be one of the biggest changes on UK roads in decades](#).



[He told GB News](#): "Consider what is fair about a tax which will be paid more by those on lower wages who must go out to earn a living, like domiciliary care workers and delivery drivers, than by wealthy professionals or public sector workers who can opt to work from home?"

It comes amid rumours a new pay-per-mile tax system is in the pipeline and could be installed sooner rather than later.

It would likely replace the current [Vehicle Excise Duty \(VED\)](#) fee currently paid by all petrol and diesel owners which stands at £190 per annum.

Adam Smith, chief of staff to former Chancellor Jeremy Hunt [admitted staff at the Treasury had been told to start working on the introduction of a road pricing scheme.](#)

Details have yet to be revealed but experts have previously suggested how fees could be set.

[The Resolution Foundation has mooted a 6p per mile fee](#) which would equal the current £190 VED payment in just over 3,000 miles.

Meanwhile, the [Campaign for Better Transport](#) has come up with an average cost of around 2p per mile.

The specialists have [even suggested charges could be set on a variable basis with higher costs for travelling at certain times.](#)

Kevin added: "For the millions who get out of bed early in the morning to hit the road, while others still have their bedroom curtains closed, it would be another tax burden.

"Those required to go to work during the lockdowns, who were hailed as "key workers", now face being taxed for the very need to do so."