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Double-Cab Pick ups's go back to being vans, not cars

Only a week after HMRC released new guidance that classed double-cab pickups as cars rather than vans, the government has now performed a screeching U-turn and has reversed this decision.

[HMRC confirmed on yesterday](#) (Monday) that it's scrapping [the recently updated guidance](#) announced on 12 February, meaning that double-cab pickups will continue to be treated as goods vehicles rather than cars.

The government hit the brakes on the guidance after listening to concerns from farmers and the motoring industry on the impact of the changes to the tax treatment.

The government is now set to legislate to keep things exactly as they were. So double-cab pickups will continue to be goods vehicles for tax purposes and the tax on benefits-in-kind will not increase when employers provide these vehicles to their employees.

It's also worth noting that the capital allowances available in the first year of use will now not be reduced when a business purchases this vehicle for use in their trade.

Nigel Huddleston, financial secretary to the Treasury, said: "We will change the law at the next available Finance Bill in order to avoid tax outcomes that could inadvertently harm farmers, van drivers and the UK's economy."

HMRC noted that the update is only for double-cab pickups with a payload of one tonne or more; those with less than one tonne will continue to be treated as cars.

The less preferential treatment of double-cab pickups for benefit-in-kind purposes was set to come into effect from 1 July 2024. The treatment of double-cab pickups has been hotly debated following the 2020 court of appeal decision in [Payne & Ors \(Coca-Cola\) vs R & C Commrs \(2020\)](#), ruling that most multi-purpose vehicles, such as double-cab pickups are cars.

Recognising the *Coca-Cola* Court of Appeal decision, the previously revised guidance from HMRC replaced EM23150 with EM23151. But these arrangements are now redundant.

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