



NS Statement re Company Event

GOVERNMENT BUDGET STATEMENT - TAXATION CHANGES

MOTABILITY OPERATIONS GROUP PLC

Released 14:54:43 26 November 2025

RNS Number : 1486J
Motability Operations Group PLC
26 November 2025

26 November 2025

Motability Operations Group plc
Government Budget Statement - Taxation Changes Affecting the Motability Scheme

Motability Operations Group plc ("Motability Operations") notes the announcement made by the Chancellor of the Exchequer, the Rt Hon Rachel Reeves MP, in the Budget on 26 November 2025, confirming the Government's decision to change the taxes affecting new leases under the Motability Scheme with effect from July 2026.

The measures include:

- 1. Removal of the current exemption from **Insurance Premium Tax (IPT)** for the Motability Scheme; and
- 2. The Motability Scheme will now be subject to **Value Added Tax (VAT) at 20% on advance payments**.

These changes will increase the overall cost base of the Motability Scheme, with potential implications for vehicle affordability for customers. Motability Operations is assessing measures to mitigate the impact of these taxation changes and to safeguard the Motability Scheme's long-term ability to meet the needs of disabled people, without compromising its financial stability.

Andrew Miller, Chief Executive of Motability Operations, said:

"As we design and implement the changes to the Scheme as result of the reduction in tax reliefs, we remain absolutely committed to the financial sustainability of the Motability Scheme. None of the changes will compromise our robust financing model or structures in any way. The Scheme will continue to be managed prudently and sustainably, exactly as it always has been."

Further information about how the Motability Scheme might evolve and the options being considered to change the leasing package as a result of these taxation changes can be found on Motability Operations' media centre:

<https://news.mo.co.uk/>

Enquiries:

Motability Operations Limited

Investor Enquiries:

InvestorRelations@mo.co.uk

Media Enquiries:

Pressoffice@mo.co.uk

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

STRFEEFLMEISEIF

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.

© 2025 London Stock Exchange plc. All rights reserved.