

PRIME MINISTER

MOTABILITY

Sir Jeffrey Sterling telephoned me today to reinforce some representations that he had put to Treasury Ministers a fortnight ago about tax relief for Motability.

As you know, Jeffrey is one of the founders of this charity. He has proposed that vehicles intended for leasing to disabled people should be relieved from car tax. I understand from the Treasury that similar proposals have been put forward in earlier years but rejected, principally because of the difficulty in ensuring that the benefit of car tax relief would be confined to disabled people. The Chancellor has decided not to include proposals which would meet Jeffrey's point in this year's Budget.

I simply took note of Jeffrey Sterling's point.

N.C.U.

mt

Nigel Wicks

8 March 1988

JAlBSA