

About the Cycle to Work Scheme

The government Cycle to Work scheme is a tax incentive aimed at encouraging employees to cycle to work thereby reducing air pollution and improving their health. The scheme allows employees to benefit from a long term loan of bikes and commuting equipment such as lights, locks and panniers completely tax free. Employers benefit from fitter, more punctual, more wide-awake staff. Employees benefit from better health and better bikes because their money goes further.

The typical saving for an average tax-payer is between 38-45 per cent. There are online calculators to help you see how much you may be able to save.

Employers can loan bicycles to their staff as a tax-free benefit on the condition that the bicycles are mainly used to get to and from work or for work-related purposes. The employee 'buys' the bike at the end of the loan period for a nominal sum.

Government guidance on how to implement a Cycle to Work Scheme can be found at [DfT Cycle to Work Scheme - Implementation guidance](#) (*external link*)

If you would like to take advantage of the Cycle to Work scheme please speak with your employer to see if they currently operate one.