

# OWNING AND RUNNING A CAR (HOUSEHOLD)

**1.2 List 3 types of costs to run a car for a household**

**1.3 At what stage of the Personal Financial Lifecycle would someone buy/drive their first car?**

**1.4 List 2-3 Key Personal Taxes a car owner would pay**

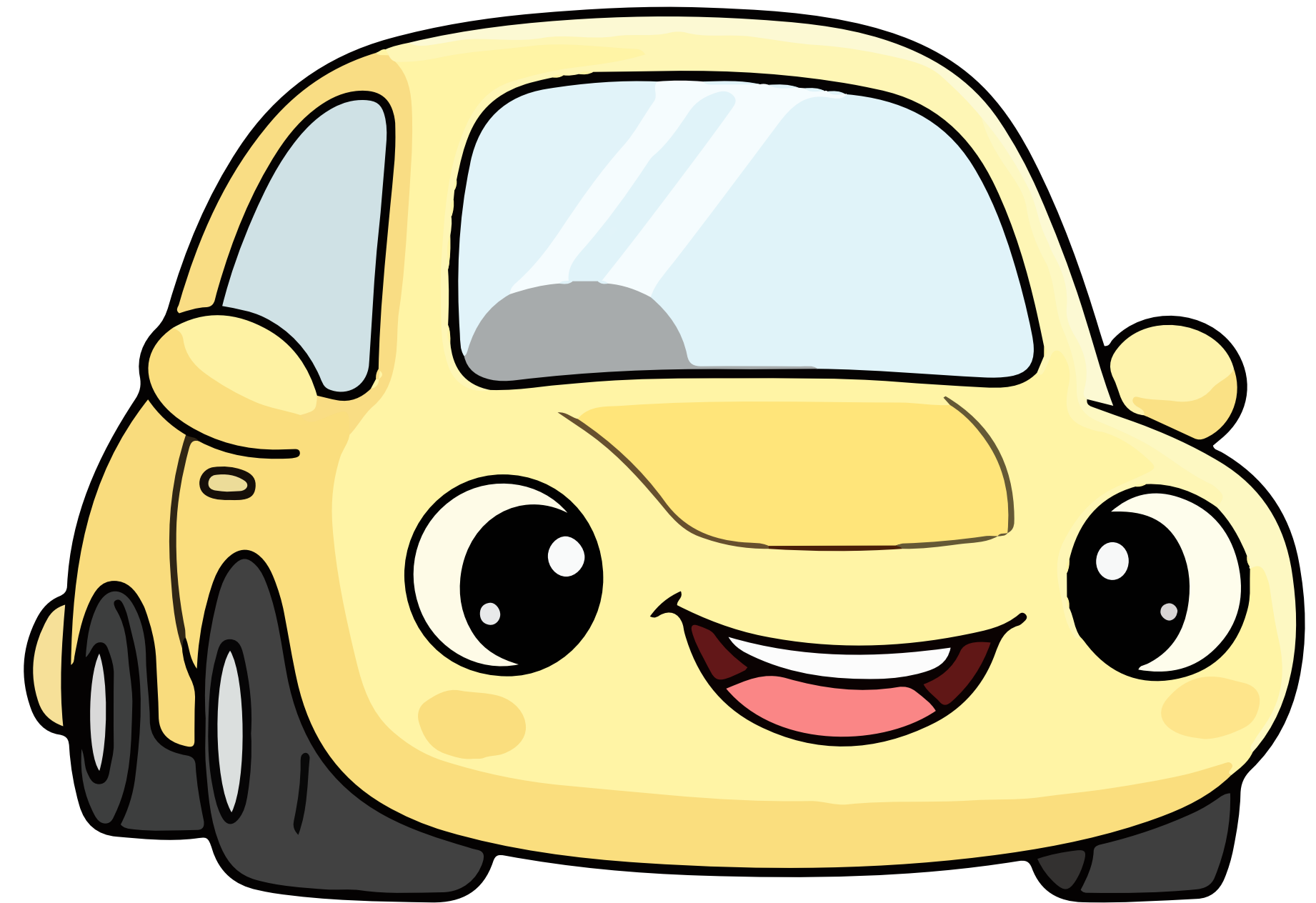
**1.6 Name the insurance for a car. Give three factors that can increase a car premium**

**1.12 Household Budget Name a fixed and irregular type of spending for a car**

**3.5 The Purpose of Tax - name a tax on petrol**

**3.11 Government Policy - how could the government encourage the use of Electric Vehicles instead of petrol cars?**

**3.7 International Trade - buying foreign cars is an IMPORT/EXPORT for Ireland?**



**Opportunity Cost - Suggest a potential opportunity cost for a family other than a car**  
**Borrowing - What is charged on top of/included in the loan repayment for a car?**  
**Consumer Impacts - What is a better environmental alternative for a car?**

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## 1.2 Types of expenditure

### Car Running Costs

- Motor tax & insurance
- Petrol / Diesel
- Car repairs/service
- Car wash

## 1.12 Household Budget

### A Car Loan

- **fixed** expenditure - payment of the same amount on the same day each month

### Petrol/Car Wash

- **irregular** expenditure - varied amounts and time of payments each month

## 3.11 Government Policy

### Electric Vehicle (EV) Incentives

- The government gives **grants** (payments that don't have to be repaid) to households to help pay for installing **EV chargers**.
- The government gives tax benefits to businesses for EV use

## 1.3 Personal Financial Lifecycle

Buying your first car is a **want** for someone in the **independent stage** (19-29)

## 3.5 The Purpose of Tax

### Carbon tax

The government increases carbon tax on petrol to raise prices and **reduce car use** to help the environment

## 3.7 International Trade

Irish people must **import foreign cars** as Ireland does not manufacture any brand of cars.

## 1.4 Key Personal Taxes

### Motor Tax

- Annual payment for car owners

### Excise duties / carbon tax

- Extra taxes charged on petrol and diesel

## 1.6 Insurance & Risk

### 3<sup>rd</sup> Party Insurance

- Minimum level of insurance required by law

### Fully Comprehensive

- Insurance that covers damage to your vehicle and other parties. Risk of needing repairs, crashing, car getting stolen



**1.1 Opportunity Cost** - The cost of a new car could be a new kitchen you don't get to buy

**1.5 Borrowing** - **Interest is charged** on top of car loan repayments

**1.9 Consumer Impacts** - Choosing an EV, cycling or public transport would **help the environment** by being **more sustainable**