

What kind of vehicle can tax-exempt compensation be paid for?

Compensation can be paid **for the use of a car, which is not in the ownership or possession of the employer**. Therefore, the car does not have to be the personal property of the user, but the right to use it must be proven. The right of use is indicated on the vehicle registration certificate. M1 and M1G category vehicles are considered passenger cars.

If compensation is paid to a person with a disability, as an exception, the costs of using any motor vehicle may be reimbursed. According to § 2 of Road Traffic Act, a motor vehicle means a power-driven vehicle. A vehicle means a device powered by a motor or in another way, designated for road traffic or driving on the road.

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