

## Auto Insurances Excess – the best way for reducing your Auto Insurances Premium

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Adjusting your car insurance policy's excess is a great way to save money on your insurance's premium. Learn how it can be done and what risks must be considered.

What is the Car Insurance's Excess? The auto insurances excess is the amount you would have to contribute towards the cost of any claim under the auto insurances policy. An example: if your auto insurances excess is 500, and the claim amount is 2000 then the amount you will receive will be 1500 as it will be reduced by the excess. Types of Vehicle Insurances Excess Car insurances have two types of excess: compulsory excess that must be paidvoluntary excess that only applies if you have chosen it The minimum excess your insurer accepts on your auto insurance is called the compulsory excess. Minimum (compulsory) excesses do vary depending on your driving record, personal details and last but not least the car insurance company. It is most common with auto insurances for young drivers to have a high compulsory excess. This penalty comes down with the age of the driver and with most auto insurance companies drivers beyond their mid-twenties will not face any compulsory excess anymore. Voluntary excess means offering to pay a higher excess additional to the compulsory excess thus reducing your car insurances premium you have to pay. Your voluntary excess is this extra amount that you agree to pay in the event of a claim on the policy (additionally to the compulsory excess). A higher excess means a lower financial risk your insurer has to carry, thus your car insurance company can offer you a lower premium in exchange. Using Voluntary Excess for cheaper Car insurances Voluntary excess is really helpful for reducing the insurance premium and to gain cheaper auto insurances. Increasing the excess you have to pay in the event of a claim is a often used trick to get a cheaper auto insurance. So it is a good idea to take a look at how you can use your car insurances excess to get cheaper auto insurance. On the other hand the voluntary excess and the compulsory excess together can get quite expensive in the event of a claim. Avoid setting your excess level too high. Probably you will have to pay it someday. It is always important to do some math what would happen in the case of a claim. Get cheaper Auto Insurances by fine-tuning your excess Some insurances additionally offer help with the legal costs of recovering your excess from a third party if the accident is their fault. For confident drivers this may be the best way to pay their car insurance without wasting money on premiums. But keep in mind – the excess also applies in case of theft or damage not received in an accident! Pick the right car insurance by looking for a auto insurance company that has good discounts on auto insurances premiums for raising your excess.