

CAR INSURANCE RATE

How Is It Determined?

Ever wondered what all factors determine the amount of your car insurance? Enlisted below are some of them.

DRIVING RECORD

The make and model of your car plays an important role in deciding the insurance premium. High powered and luxury cars tend to have higher insurance rates than economy vehicles.

TYPE OF CAR

The insurance company will always look at your past driving history. If it is bad and you have been involved in many traffic convictions, you are likely to pay more premiums.

CLAIM HISTORY

The insurance premium largely depends on the place where you live. For instance, if you live in an area with high crime rate, you are likely to pay more premiums.

Your insurance agency will keep an account of the claims you made previously. In case you have not claimed anything in specific amount of time, you may become eligible for some discount.

LOCATION

Insurance companies charge more to the drivers with higher annual mileage. This is because, the more a person drives more are the chances of facing accidents.

TYPE OF COVERAGE

ANNUAL MILEAGE

The more comprehensive coverage you opt, the more will be your premium amount. Opt for an insurance that covers all the incidents like fire, theft accident etc.