

OVERVIEW ON TAX INCENTIVES FOR ELECTRIC VEHICLES IN THE EU

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| AUSTRIA | <p>Electric vehicles are exempt from the fuel consumption tax and from the monthly vehicle tax. Since January 2016 a deduction of VAT is also applicable for zero-CO₂ emission cars (eg electric and hydrogen-powered cars).</p> <p>The Austrian automobile club ÖAMTC publishes the incentives granted by local authorities on its website (www.oeamtc.at/elektrofahrzeuge).</p> |
| BELGIUM | <p>Electric vehicles pay the lowest rate of tax under the annual circulation tax in all three regions.</p> <p>In the Brussels-Capital Region, financial incentives apply to companies which purchase electric, hybrid or fuel-cell vehicles. In the Flemish Region, electric and plug-in hybrid (emitting no more than 50g CO₂/km) vehicles are exempt from registration tax. Moreover, incentives for electric and hydrogen-powered cars (Zero Emission Bonus) were introduced as of January 2016. Finally, the Flemish Government grants an Ecology Premium to companies that invest in environmentally friendly and/or energy-efficient technologies (www.ecologiepremie.be).</p> <p>The deductibility rate from corporate income of expenses related to the use of company cars is 120% for zero-emissions vehicles and 100% for vehicles emitting between 1 and 60g CO₂/km. Above 60g CO₂/km, the deductibility rate decreases from 90% to 50% progressively.</p> |
| BULGARIA | Electric vehicles are exempt from the annual circulation tax. |
| CROATIA | None |
| CYPRUS | Vehicles emitting less than 120g CO ₂ /km are exempt from registration tax. |
| CZECH REPUBLIC | Electric, hybrid and other alternative fuel vehicles are exempt from the road tax (this tax applies to cars used for business purposes only). |

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| DENMARK | From 2016, battery electric vehicles are included in the same tax scheme of petrol and diesel cars. The resulting increase in the registration tax will be gradually phased in, at 20% of the full tax in 2016, 40% in 2017, 65% in 2018, 90% in 2019 and 100% in 2020. Hydrogen and fuel cell-powered vehicles are exempt from registration tax until the end of 2018. |
| ESTONIA | None |
| FINLAND | Pure electric vehicles always pay the minimum rate of the CO ₂ based registration tax. |
| FRANCE | <p>Regions have the option to provide an exemption from the registration tax (either total or 50%) for alternative fuel vehicles (ie electric, hybrids, CNG, LPG, and E85).</p> <p>Under a bonus-malus system, a premium is granted for the purchase of a new electric vehicle (from 1 January 2017, hybrid cars combining an electric energy storage system and an internal combustion engine are no longer eligible for the bonus):</p> <ul style="list-style-type: none"> - For a vehicle (car or LCV) emitting between 21 and 60g CO₂/km, the bonus amounts to €1,000. - For a vehicle (car or LCV) emitting 20g CO₂/km or less, the bonus amounts to €6,300. <p>An incentive scheme grants €10,000 to electric vehicle buyers when they scrap an old diesel-powered vehicle. In 2017, the scheme was extended to LCVs.</p> <p>Electric vehicles are exempt from the company car tax, while hybrids emitting less than 110g CO₂/km are exempt during the first two years after registration.</p> |
| GERMANY | Electric vehicles are exempt from the annual circulation tax for a period of ten years from the date of their first registration. From July 2016, the government granted an environmental bonus of €4,000 for pure electric and fuel-cell vehicles and €3,000 for plug-in hybrid and range-extended electric vehicles. |
| GREECE | Electric and hybrid vehicles are exempt from registration tax, luxury tax and luxury living tax. Electric and hybrid cars (with an engine capacity of up to 1,549cc) are also exempt from circulation tax. |
| HUNGARY | Electric vehicles are exempt from registration tax, annual circulation tax and company car tax. |

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| IRELAND | <p>Until December 2021, electric vehicles benefit from VRT (vehicle registration tax) relief up to a maximum of €5,000. For plug-in hybrids, the maximum relief is €2,500 (until December 2018). For conventional hybrids and other flexible fuel vehicles, the maximum relief is €1,500 (until December 2018). In addition, electric and plug-in hybrid vehicles receive a grant of up to €5,000 on purchase (until December 2021 for EVs and 2018 for PHEVs).</p> <p>Electric vehicles also pay the minimum rate of the road tax (€120).</p> |
| ITALY | <p>Electric vehicles are exempt from the annual circulation tax (ownership tax) for a period of five years from the date of the first registration. After this five-year period, they benefit from a 75% reduction of the tax rate applied to the equivalent petrol vehicles.</p> |
| LATVIA | <p>Electric vehicles pay the lowest amount for the company car tax (€10).</p> |
| LITHUANIA | <p>None</p> |
| LUXEMBOURG | <p>Electric and fuel cell vehicles benefit from a tax allowance on the registration fees of €5,000. Electric vehicles also pay the minimum rate of the annual circulation tax.</p> |
| MALTA | <p>None</p> |
| NETHERLANDS | <p>Electric vehicles are exempt from the registration tax BPM. As of 1 January 2017, a special BPM rate is applied for all new plug-in hybrid vehicles sold.</p> <p>Passenger cars with zero CO₂ emissions are exempt from motor vehicle tax up to 2020.</p> <p>A discounted income tax (4%) is levied on fuel-efficient cars (ie with zero CO₂ emissions).</p> |
| POLAND | <p>None</p> |
| PORTUGAL | <p>Pure electric cars are exempt from the registration tax (<i>Imposto Sobre Vehículos</i> or <i>ISV</i>). Plug-in hybrid cars with all-electric mode up to 25km only pay 25% of the registration tax.</p> |
| ROMANIA | <p>Electric vehicles are exempt from the annual circulation tax (ownership tax).</p> |

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| SLOVAKIA | <p>Pure electric vehicles pay the lowest amount for the registration tax (€33) and are exempt from the annual circulation tax. Hybrids, vehicles powered by compressed natural gas (CNG) and vehicles used at least 60 times in the hybrid mode within the tax period benefit from a 50% reduction on the annual circulation tax.</p> |
| SLOVENIA | <p>Financial incentives, ranging from €3,000 to €7,500 depending on vehicle category, are granted for:</p> <ul style="list-style-type: none"> - the purchase of a new electric vehicle with zero CO₂ emissions or the conversion of an internal combustion engine vehicle (ICEV) to electric propulsion; - the purchase of a new plug-in hybrid vehicle with CO₂ emissions lower than 50g CO₂/km. |
| SPAIN | <p>Main city councils (eg Madrid, Barcelona, Zaragoza, Valencia etc) are reducing the annual circulation tax (ownership tax) for electric and fuel efficient vehicles by 75%. Reductions are applied on company car taxation for pure electric and plug-in hybrid vehicles (30%), and for hybrids, LPG and CNG vehicles (20%).</p> |
| SWEDEN | <p>A premium (<i>Supermiljöbilspremie</i>) is granted for the purchase of a new electric or hybrid electric vehicle:</p> <ul style="list-style-type: none"> - SEK20,000 for cars with CO₂ emissions between 1 and 50g/km (plug-in hybrids) - SEK40,000 for cars with zero CO₂ emissions (electric cars) <p>A five-year exemption from annual circulation tax applies for green cars (electric cars and plug-in hybrids, with electrical energy consumption per 100km which not exceed 37kWh).</p> <p>40% reduction is applied on company car taxation for electric cars and plug-in hybrids.</p> |
| UNITED KINGDOM | <p>Electric vehicles (with CO₂ emissions up to 100g/km) are exempt from the annual circulation tax, while other alternative fuel cars receive a £10 discount on the paid rates.</p> <p>Pure electric cars are exempt from the company car tax, while all cars with CO₂ emissions lower than 50g/km pay 5% for the tax year 2015/2016. For more details on these changes see: www.gov.uk/government/publications/finance-bill-2017-draft-legislation-overview-documents/overview-of-legislation-in-draft</p> |