

CO₂-BASED MOTOR VEHICLE TAXES IN THE EU

Glossary

BEV = Battery electric vehicle

— = None

FCEV = Fuel-cell electric vehicle

▶ = Indirect CO₂-based taxation

PHEV = Plug-in hybrid electric vehicle

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COUNTRY	TAX MEASURES		
	ACQUISITION	OWNERSHIP	COMPANY CARS
AUSTRIA	<ul style="list-style-type: none"> VAT deduction for zero-emission cars. Fuel consumption/pollution tax (called 'NoVA') calculated as follows: [(CO₂ emissions in g/km minus 90) divided by 5] minus NoVA deduction, plus NoVA malus fee (ie €20 for each g/km of CO₂ exceeding 250g CO₂/km). 	—	CO ₂ -based taxation.
BELGIUM	<ul style="list-style-type: none"> <u>Wallonia</u>: CO₂-based malus system, cars that emit 146g CO₂/km or more pay a penalty (max €2,500 for cars emitting more than 255g CO₂/km). <u>Flanders</u>: <ul style="list-style-type: none"> Taxation calculated based on CO₂ emissions, fuel type, age and EU emission standards. 'Zero-emission bonus' to stimulate the purchase of zero-emission vehicles. 'Ecology Premium' for companies that invest in environmentally-friendly technologies. For more details: http://www.ecologiepremie.be 	<u>Flanders</u> : taxation based on the CO ₂ emissions, fuel type and EU emission standard of the vehicle. <ul style="list-style-type: none"> CO₂-based component calculated as follows: <ul style="list-style-type: none"> Increases by 0.30% per g CO₂/km above 122g CO₂/km, up to a maximum of 500g CO₂/km. Decreases by 0.30% per g CO₂/km below 122g CO₂/km, with a minimum of 24g CO₂/km. 	<ul style="list-style-type: none"> CO₂-based 'solidarity contribution' for company cars. Under corporate tax, deductibility of expenses related to the use of company cars is linked to their CO₂ emissions.
BULGARIA	—	▶ Based on the EU emission standard of the vehicle concerned (ie not directly linked to CO ₂ emissions).	—

CROATIA	Based on the CO ₂ emissions, purchase price and fuel type of the vehicle concerned.	—	—
CYPRUS	CO ₂ -based taxation.	CO ₂ -based taxation.	—
CZECH REPUBLIC	<ul style="list-style-type: none"> ▪ Exemption from registration charges for BEVs and FCEVs emitting 50g CO₂/km or less (upon request of a special number plate). ▪ ► Environmental surcharge for vehicles that do not comply with the Euro 3 emission standard (ie not directly linked to CO₂ emissions). 	—	—
DENMARK	► Taxation differentiated based on the fuel consumption of the vehicle concerned (ie not directly linked to CO ₂ emissions).	<ul style="list-style-type: none"> ► Based on fuel consumption (ie not directly linked to CO₂ emissions) as follows: <ul style="list-style-type: none"> ▪ Petrol cars: semi-annual rates vary from DKK 330 for cars covering at least 50km per litre of fuel to DKK 11,680 for cars with less than 4.5km per litre. ▪ Diesel cars: semi-annual rates vary from DKK 460 for cars covering at least 56.3km per litre of fuel to DKK 17,040 for cars with less than 5.1km per litre. 	CO ₂ -based environmental fee added to the taxable amount.
ESTONIA	—	—	—
FINLAND	CO ₂ -based taxation, with rates varying from 2.7% to 50% of the catalogue value (including VAT and registration tax) of the vehicle concerned.	<ul style="list-style-type: none"> ▪ CO₂-based tax component: rates for cars and vans ranging from €53.29 to €654.44. ▪ Excise duties for road traffic fuels depend on the energy content and CO₂ emissions. 	—
FRANCE	<ul style="list-style-type: none"> ▪ CO₂-based bonus/malus system: <ul style="list-style-type: none"> - <u>Bonus</u>: for vehicles (cars and vans) emitting 20g CO₂/km or less (max €6,000). - <u>Malus</u>: from €35 (for 117g CO₂/km) to €10,500 (for 191g CO₂/km or more). ▪ CO₂-based scrapping scheme: incentives for scrapping a diesel vehicle and replacing it with a low-emission vehicle (less than 122g CO₂/km). 	CO ₂ -based taxation for cars registered for the first time in France as from 01/01/2009.	CO ₂ -based taxation: <ul style="list-style-type: none"> ▪ Rates vary from €1 for each gramme emitted between 20g CO₂/km and 60g CO₂/km to €29 for each gramme emitted above 250g CO₂/km. ▪ Cars emitting less than 20g CO₂/km are exempt.

GERMANY	—	CO ₂ -based for cars registered as from 01/07/2009: <ul style="list-style-type: none"> ▪ Base tax (€2 per 100cc for petrol and €9.5 per 100cc for diesel) plus a CO₂-based component, linear at €2 per gramme above 95g CO₂/km. ▪ Cars emitting less than 95g CO₂/km are exempt from the CO₂ component. 	Reduction of the taxable amount (ranging from 0.5% to 1% of the gross catalogue price per month) for BEVs and PHEVs emitting 50g CO ₂ /km or less, or with an electrical range of at least 40 km.
GREECE	CO ₂ -based taxation: coefficient varies from 0.95 (for vehicles emitting up to 100g CO ₂ /km) to 2.00 for vehicles emitting more than 250g CO ₂ /km.	CO ₂ -based for cars registered after 31/10/2010: <ul style="list-style-type: none"> ▪ Rates vary from €0.90 per gramme of CO₂ emitted (91–100g CO₂/km) to €3.72 per gramme for 251g CO₂/km or more. ▪ Cars emitting up to 90g CO₂/km are exempt. 	—
HUNGARY	► Based on the EU emission standard of the vehicle concerned (ie not directly linked to CO ₂ emissions).	—	—
IRELAND	<ul style="list-style-type: none"> ▪ CO₂-based taxation: rates vary from 14% for cars emitting up to 80g CO₂/km (15% for diesel cars) to 36% for 226g CO₂/km or more (37% for diesel cars). ▪ 20% VAT deduction for cars registered after 01/01/2009 that emit less than 156g CO₂/km and are primarily used for business purposes. 	CO ₂ -based for cars registered since 01/07/2008: rates vary from €120 (0g CO ₂ /km) to €2,350 (226g CO ₂ /km or more).	—
ITALY	CO ₂ -based bonus/malus system: <ul style="list-style-type: none"> ▪ Bonus: one-off amount (max €6,000 for cars emitting 20g CO₂/km or less) at first registration between 01/03/2019 and 31/12/2021. ▪ Malus: up to max €2,500 for cars emitting more than 250g CO₂/km. 	—	—
LATVIA	—	CO ₂ -based for cars registered after 31/12/2009: <ul style="list-style-type: none"> ▪ Rates vary from €12 (51–95g CO₂/km) to €756 (more than 350g CO₂/km). ▪ Cars emitting up to 50g CO₂/km are exempt. 	—
LITHUANIA	—	—	—

LUXEMBOURG	—	CO ₂ -based tax for cars registered after 01/01/2001 calculated as follows: $[A * B * C]$. - A = CO ₂ emissions in g/km - B = 0.9 for diesel and 0.6 for other fuels - C = exponential factor: CO ₂ <90g/km = 0.5, increased by 0.1 for each additional 10g CO ₂ /km	—
MALTA	CO ₂ -based taxation, calculated as follows: $[(X\% * CO_2 * RV) + (Y\% * length * RV)]$. - X% = based on CO ₂ emissions - Y% = based on the vehicle's length - RV = the registration value of the vehicle	<ul style="list-style-type: none"> ▪ Based on the CO₂ emissions and the age of the vehicle concerned. ▪ During the first five years, taxation only depends on the CO₂ emissions, varying from €100 for a car emitting up to 100g CO₂/km to €180 for a car emitting between 150-180g CO₂/km. 	—
NETHERLANDS	<ul style="list-style-type: none"> ▪ CO₂-based taxation: rates vary from €2 (between 1 and 71g CO₂/km) to €429 (157g CO₂/km and more). Exemption for zero-emission cars. ▪ Fixed surcharge of €360 applies to all new cars emitting 1g CO₂/km or more (as of 01/01/2019). ▪ Diesel surcharge applies to vehicles emitting more than 61g CO₂/km (€88.43 in 2019). 	Based on CO ₂ emissions, vehicle weight, fuel type and region (province).	CO ₂ -based taxation (if private use exceeds 500km per year): rates vary from 4% of the vehicle's catalogue value (for zero-emission cars) to 22% (for all other cars).
POLAND	—	—	—
PORTUGAL	CO ₂ -based environmental tax component. <ul style="list-style-type: none"> ▪ <u>Lowest rate</u>: petrol cars emitting less than 100g CO₂/km pay €[(4.18 * CO₂) - 386.00]; diesel cars emitting less than 80g CO₂/km pay €[(5.22 * CO₂) - 396.88]. ▪ <u>Highest rate</u>: petrol cars emitting more than 195g CO₂/km pay €[(185.91 * CO₂) - 30,183.74]; diesel cars emitting more than 160g CO₂/km pay €[(242.65 * CO₂) - 30,235.96]. 	<ul style="list-style-type: none"> ▪ CO₂-based environmental tax component for cars and vehicles of up to 2.5 tonnes registered after 01/07/2007. ▪ Tax reduction of up to 21% for cars emitting 120g CO₂/km or less (based on WLTP CO₂ values). 	—

ROMANIA	CO ₂ -based scrapping scheme: incentives for scrapping a vehicle older than eight years and replacing it with a low-emission (less than 130g CO ₂ /km) or zero-emission vehicle.	-	-
SLOVAKIA	-	► Fees for the use of specific sections of motorways and expressways are based on the EU emission standard of the vehicle concerned (ie not directly linked to CO ₂ emissions).	-
SLOVENIA	<ul style="list-style-type: none"> ▪ CO₂-based taxation: rates vary from 0.5% (petrol) and 1% (diesel) for cars emitting up to 110g CO₂/km to 28% (petrol) and 31% (diesel) for cars emitting more than 250g CO₂/km. ▪ CO₂-based incentives for electric vehicles. 	-	-
SPAIN	CO ₂ -based taxation: rates vary from 4.75% (121-160g CO ₂ /km) to 14.75% (200g CO ₂ /km and more).	Reduction for vehicles meeting the Euro 6 emission standard that emit less than 120g CO ₂ /km, as well as for alternatively-powered cars (max 30%).	-
SWEDEN	CO ₂ -based bonus system: bonus of up to max SEK 60,000 for new vehicles (cars and light trucks/buses), depending on their CO ₂ emissions.	CO ₂ -based for new cars and light trucks/buses registered from 01/07/2018: high-emitting vehicles pay a higher tax (malus) during the first three years.	-
UNITED KINGDOM	<p>CO₂-based taxation: rates vary from £10 (from 1 to 50g CO₂/km) to £2,070 (more than 255g CO₂/km).</p> <ul style="list-style-type: none"> - Alternatively-powered cars receive a £10 discount on the paid rates. - Zero-emission cars are exempt. 	CO ₂ -based for cars registered after 31/03/2001: rates range from £0 (up to 100g CO ₂ /km) to £555 (above 255g CO ₂ /km).	Based on the CO ₂ emissions (g CO ₂ /km) and the fuel type of the vehicle concerned.