

## OVERVIEW ON TAX INCENTIVES FOR ELECTRIC VEHICLES IN THE EU

<b>AUSTRIA</b>	<p>Electric vehicles are exempt from fuel consumption/pollution tax, ownership tax and company car tax. In addition, a deduction of VAT is applicable for zero-CO<sub>2</sub> 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 (<a href="http://www.oeamtc.at/elektrofahrzeuge">www.oeamtc.at/elektrofahrzeuge</a>).</p>
<b>BELGIUM</b>	<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 electric, hybrid or fuel-cell vehicles.</p> <p>Electric and plug-in hybrid (until 31 December 2020) vehicles are exempt from registration tax in Flanders. Incentives ("Zero Emission Bonus") for the purchase of battery electric and hydrogen-powered cars and vans are granted.</p> <p>The deductibility rate from corporate income of expenses related to the use of company cars is 120% for zero-emissions vehicles.</p>
<b>BULGARIA</b>	Electric vehicles are exempt from ownership tax.
<b>CROATIA</b>	None
<b>CYPRUS</b>	Vehicles emitting less than 120g CO <sub>2</sub> /km are exempt from registration tax and pay the lowest rate of tax under the annual road tax.
<b>CZECH REPUBLIC</b>	Electric, hybrid and other alternative fuel vehicles are exempt from the road tax.
<b>DENMARK</b>	Electric vehicles (BEVs) pay only 40% of the registration tax (in 2017). This percentage will be gradually increased at 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 2020.
<b>ESTONIA</b>	None

<b>FINLAND</b>	Pure electric vehicles always pay the minimum level of the CO <sub>2</sub> based registration tax.
<b>FRANCE</b>	<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>Electric vehicles and vehicles emitting less than 60g CO<sub>2</sub>/km are not subject to the tax on company cars.</p> <p>Electric and hybrid electric vehicles emitting 20 g/km or less of CO<sub>2</sub> benefit from a premium of €6,000 under a bonus-malus scheme.</p> <p>An incentive scheme grants an extra €4,000 for switching an eleven year or more diesel vehicle for a new BEV (or €2,500 in case it's a PHEV).</p>
<b>GERMANY</b>	<p>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.</p>
<b>GREECE</b>	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 and first registration date before 31 October 2010) are exempt from circulation tax.
<b>HUNGARY</b>	Electric cars and plug-in hybrids are exempt from registration tax, annual circulation tax and company car tax.
<b>IRELAND</b>	<p>Electric vehicles qualify for VRT (purchase tax) reliefs of €5,000 until 31 December 2021 (€2,500 for plug-in hybrids until 31 December 2018). In addition, electric vehicles and plug-in electric hybrids entitle the buyer to a grant of up to €5,000 on purchase until 31 December 2021 for electric vehicles and December 2018 for plug-in hybrid electric vehicles.</p> <p>Electric vehicles pay the minimum rate of the road tax (€120).</p>
<b>ITALY</b>	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.

<b>LATVIA</b>	Pure electric vehicles pay the lowest fee for technical annual inspections and the lowest amount for the company car tax (€10).
<b>LITHUANIA</b>	None
<b>LUXEMBOURG</b>	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.  Pure electric and hydrogen cars pay the lowest tax on benefit in kind for private use of a company car.
<b>MALTA</b>	Registration tax is based on length of vehicles, emissions and age. For pure electric vehicles the emission tax is zero.
<b>NETHERLANDS</b>	Zero emission cars are exempt from paying registration tax. Passenger cars with zero CO <sub>2</sub> emissions are exempt from motor vehicle tax up to and including 2020.  Zero emission cars pay the lowest percentage (4%) of the income tax on the private use of a company car.
<b>POLAND</b>	Electric and plug-in electric vehicles exempt from registration tax <sup>1</sup> .
<b>PORTUGAL</b>	VAT is deductible for electric vehicles (with acquisition cost <€62,000) and plug-in hybrids (with an acquisition cost <€50,000).  Pure electric cars are exempt from the registration tax ( <i>Imposto Sobre Veículos</i> or <i>ISV</i> ). Plug-in hybrid cars with all-electric mode up to 25km benefit from a 75% reduction of the tax.
<b>ROMANIA</b>	An incentive scheme grants €10,000 for the purchase of a new pure electric vehicle (plus €1,500 for scrapping a vehicle older than eight years) and €4,500 for the purchase of a new hybrid vehicle.  Electric vehicles are exempt from the ownership tax.

<sup>1</sup> To be introduced after EC positive decision for public aid

<b>SLOVAKIA</b>	Pure electric vehicles pay the lowest amount for the registration tax (€33) and are exempt from motor vehicle tax. Hybrids and natural gas (CNG) vehicles benefit from a 50% reduction of the tax.
<b>SLOVENIA</b>	<p>An incentive scheme grants:</p> <ul style="list-style-type: none"> <li>• €7,500 for a new electric vehicle with zero emissions or a BEV (M1)</li> <li>• €4,500 for a new electric vehicle with zero emissions or a power-driven vehicle (N1 or L7e)</li> <li>• €4,500 for a new plug-in hybrid or a new electric vehicle with a range extender, with emissions &lt; 50g CO<sub>2</sub>/km (M1 or N1)</li> <li>• €3,000 for a new electric vehicle with zero emissions or a power-driven vehicle (L6e)</li> <li>• €1,000 for a new electric vehicle with zero emissions (L3e, L4e or L5e)</li> <li>• €500 for a new electric vehicle with zero emissions (L1e-B or L2e)</li> <li>• €200 for a new electric vehicle with zero emissions (L1e-A)</li> </ul> <p>BEV's pay the lowest (0,5%) rate of tax on motor vehicle.</p>
<b>SPAIN</b>	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%).
<b>SWEDEN</b>	'Climate bonus' (Klimatbonus) is available for the purchase of new vehicles with CO <sub>2</sub> emissions of maximum 60g/km. It ranges from SEK 60,000 for electric vehicles (BEV) with zero emission to plug-in hybrids (PHEV) with emission of 60g/km. Electric cars and plug-in hybrids are exempted from paying annual circulation tax for five years. 40% reduction is applied on company car taxation for electric cars and plug-in hybrids.
<b>UNITED KINGDOM</b>	<p>From April 2018 until March 2021, cars that emit less than 50g/km qualify for 100% first year writing down allowances (FYAs). Zero emission vehicles attract a zero rate of vehicle excise duty (VED)</p> <p>Ultra-low emissions and electric vehicles pay reduced company car tax rates. For more details see:  <a href="http://www.gov.uk/government/publications/finance-bill-2017-draft-legislation-overview-documents/overview-of-legislation-in-draft">www.gov.uk/government/publications/finance-bill-2017-draft-legislation-overview-documents/overview-of-legislation-in-draft</a></p>