

**OVERVIEW OF CO2 BASED MOTOR VEHICLE TAXES
IN THE EU**

COUNTRY	CO2/FUEL CONSUMPTION TAXES
AUSTRIA	<p>A fuel consumption tax (Normverbrauchsabsage or NoVA) is levied upon the first registration of a passenger car. It is calculated as follows:</p> <ul style="list-style-type: none"> - <u>Petrol cars</u>: 2% of the purchase price x (fuel consumption in litres – 3 litres) - <u>Diesel cars</u>: 2% of the purchase price x (fuel consumption in litres – 2 litres) <p>Under a bonus-malus system, cars emitting less than 120g/km receive a maximum bonus of €300. Cars emitting more than 160g/km pay a penalty of €25 for each gram emitted in excess of 160g/km. Since 1 March 2011, there is an additional penalty of €25 for each gram emitted in excess of 180 g/km and another penalty of €25 for each gram emitted in excess of 220 g/km. These penalties are cumulative.</p> <p>Alternative fuel vehicles attract a bonus of maximum €500. In addition, diesel cars emitting more than 5 mg of particulate matter per km pay a penalty of maximum €300. Diesel cars emitting less than 5 mg of particulate matter per km and less than 80 g of NOx per km attract a bonus of maximum €200. The same applies to petrol cars emitting less than 60 g of NOx per km.</p>
BELGIUM	<ol style="list-style-type: none"> 1. The company car tax is based on CO2 emissions. 2. The deductibility under corporate tax of expenses related to the use company cars (50 to 120%) is linked to CO 2 emissions. 3. The Walloon Region operates a bonus-malus system whereby new cars emitting less than 80 g/km obtain a bonus (€500 - €3,500) and cars emitting more than 145 g/km pay a penalty (maximum €2,500 for cars emitting more than 255 g/km). 4. The registration tax in Flanders is based on CO2 emissions as well as exhaust emissions standards, fuel and age.
CYPRUS	<ol style="list-style-type: none"> 1. The rates of the registration tax (based on engine capacity) are adjusted in accordance with the vehicle's CO2 emissions. This adjustment ranges from a 30% reduction for cars emitting less than 120 g/km to a 20% increase for cars emitting more than 250 g/km. 2. The rates of the annual circulation tax (based on engine capacity) are reduced by 15% for cars emitting less than 150 g/km.

DENMARK	<p>1. The annual circulation tax is based on fuel consumption.</p> <ul style="list-style-type: none"> - <u>Petrol cars</u>: rates vary from 560 Danish Kroner (DKK) for cars driving at least 20 km per litre of fuel to DKK 19,320 for cars driving less than 4.5 km per litre of fuel. - <u>Diesel cars</u>: rates vary from DKK 160 for cars driving at least 32.1 km per litre of fuel to DKK 25,920 for cars driving less than 5.1 km per litre of fuel. <p>2. Registration tax (based on price): An allowance of DKK 4,000 is granted for cars for every kilometre in excess of 16 km (petrol) respectively 18 km (diesel) they can run on one litre of fuel. A supplement of DKK 1,000 is payable for cars for every kilometre less than 16 km (petrol) respectively 18 km (diesel) they can run on one litre of fuel.</p>
FINLAND	<p>1. The registration tax is based on CO2 emissions. Rates vary from 5 to 50%.</p> <p>2. The annual circulation tax is based on CO2 emissions for cars registered since 1 January 2001 (total mass up to 2,500 kg) or 1 January 2002 (total mass above 2,500 kg) respectively and for vans registered since 1 January 2008. Rates for cars vary from €20 to €600.</p>
FRANCE	<p>1. Under a bonus-malus system, a premium is granted for the purchase of a new car when its CO2 emissions are 105 g/km or less. The maximum premium is €5,000 (50 g/km or less). An additional bonus of €200 is granted when a car of at least 15 years old is scrapped and the new car purchased emits maximum 105 g/km. A malus is payable for the purchase of a car when its CO2 emissions exceed 140 g/km. The maximum tax amounts to €3,600 (above 250 g/km). In addition to this one-off malus, cars emitting more than 190 g/km pay a yearly tax of €160.</p> <p>2. The regional tax on registration certificates (“carte grise”) is based on fiscal horsepower, which includes a CO 2 emissions factor. Tax rates vary between €27 and €51.20 per horsepower according to the region.</p> <p>3. The company car tax is based on CO2 emissions. Tax rates vary from €2 for each gram emitted for cars emitting 100g/km or less to €27 for each gram emitted for cars emitting more than 250g/km.</p>
GERMANY	<p>The annual circulation tax for cars registered as from 1 July 2009 is based on CO2 emissions. It consists of a base tax and a CO 2 tax. The rates of the base tax are €2 per 100 cc (petrol) and €9.50 per 100 cc (diesel) respectively. The CO 2 tax is linear at €2 per g/km. Cars with CO2 emissions below 120 g/km are exempt (110 g/km in 2012-13, 95 g/km subsequently).</p>
GREECE	<p>The annual circulation tax for cars registered since 1 January 2011 is based on CO 2 emissions. Rates vary from €0.90 per gram of CO 2 emitted (101 – 120 g/km) to €3.40 per gram (above 250 g/km).</p>
IRELAND	<p>1. The registration tax is based on CO2 emissions. Rates vary from 14% for cars with CO 2 emissions of up to 120 g/km to 36% for cars with CO 2 emissions above 225 g/km.</p> <p>2. The annual circulation tax for cars registered since 1 July 2008 is based on CO2 emissions. Rates vary from €160 (up to 120 g/km) to €2,258 (above 225 g/km).</p>
LATVIA	<p>The registration tax is based on CO2 emissions. Rates vary from LVL 0.3 per g/km for cars emitting 120 g/km or less to LVL 5.0 per g/km for cars emitting more than 350 g/km.</p>
LUXEMBOURG	<p>1. The annual circulation tax for cars registered since 1 January 2001 is based on CO2 emissions. Tax rates are calculated by multiplying the CO2 emissions in g/km with 0.9 for diesel cars and 0.6 for cars using other fuels respectively and with an exponential factor (0.5 below 90 g/km and increased by 0.1 for each additional 10 g of CO2 /km).</p> <p>2. Purchasers of new cars emitting maximum 100 g/km receive an incentive of €750. The incentive is doubled to €1,500 for cars emitting maximum 90 g/km . It amounts to €5,000 for electric cars and other cars emitting maximum 60 g/km.</p>

MALTA	<p>1. The registration tax is calculated through a formula that takes into account CO2 emissions, the registration value and the length of the vehicle.</p> <p>2. The annual circulation tax is based on CO2 emissions and the age of the vehicle. During the first five years, the tax only depends on CO2 emissions and varies from €100 for a car emitting up to 100 g/km to €180 for a car emitting between 150 and 180 g/km.</p>
THE NETHERLANDS	<p>1. The registration tax is based on price and CO2 emissions. Cars emitting maximum 95 g/km (diesel) and 110 g/km (other fuels) respectively are exempt from this registration tax. These thresholds will be reduced to 91 g/km and 102 g/km respectively on 1 July 2012.</p> <p>2. Cars emitting maximum 95 g/km (diesel) and 110 g/km (other fuels) respectively are also exempt from the annual circulation tax.</p>
PORTUGAL	<p>1. The registration tax is based on engine capacity and CO2 emissions. The CO2 component is calculated as follows:</p> <ul style="list-style-type: none"> - Petrol cars emitting up to 115 g pay [(€4.03 x g/km) – 378.98]. Diesel cars emitting up to 95 g pay [(€19.39 x g/km) – 1,540.30] - The highest rates are for petrol cars emitting more than 195g [(€143.39 x g/km) – 23,321.94] and for diesel cars emitting more than 160g [(€127.97 x g/km) – 23,434.67]. <p>2. The annual circulation tax for cars registered since 1 July 2007 is based on cylinder capacity, CO 2 emissions and age.</p>
ROMANIA	The special pollution tax (registration tax) is based on CO 2 emissions, cylinder capacity and compliance with Euro emission standards.
SPAIN	The registration tax is based on CO 2 emissions. Rates vary from 4.75% (121 - 159g/km) to 14.75% (200 g/km and more).
SLOVENIA	The registration tax is based on price and CO 2 emissions. Rates vary from 0.5% (petrol) and 1 % (diesel) respectively for cars emitting up to 110 g/km to 28% (petrol) and 31% (diesel) respectively for cars emitting more than 250 g/km.
SWEDEN	<p>1. The annual circulation tax for cars meeting at least Euro 4 exhaust emission standards is based on CO2 emissions. The tax consists of a basic rate (360 Swedish Kroner) plus SEK 20 for each gram of CO2 emitted above 120 g/km. This sum is multiplied by 2.55 for diesel cars. Diesel cars registered for the first time in 2008 or later pay an additional SEK 250 and those registered earlier an additional SEK 500. For alternative fuel vehicles, the tax is SEK 10 for every gram emitted above 120 g/km.</p> <p>2. A five-year exemption from annual circulation tax applies for “environmentally-friendly cars”.</p>
UNITED KINGDOM	<p>1. The annual circulation tax for cars registered after March 2001 is based on CO2 emissions. Rates range from £0 (up to 100 g/km) to £ 460 (for cars over 255 g/km) (alternative fuels receive a £ 10 discount were a rate is paid). A first year rate of registration has applied since 1 April 2010. Rates vary from £ 0 (up to 130 g/km) to £ 1,000 (more than 255 g/km).</p> <p>2. The private use of a company car is taxed as a benefit in kind under personal income tax. Tax rates range from 5% of the car price for cars emitting up to 75 g/km, 10% for cars emitting up to 120 g/km, 15% for cars emitting up to 125 g/km; and then a 1% increase for each additional 5g/km band up to a maximum of 35%. Diesel cars pay a 3% surcharge, up to the 35% top rate. Cars emitting 0g/km are exempt until April 2015.</p>