

TAX BENEFITS AND INCENTIVES





Electric cars | 27 EU member states (2025)

→ GLOSSARY

BEV Battery-electric vehicle	M1 Passenger car
PHEV Plug-in-hybrid electric vehicle	NEDC New European Driving Cycle
HEV Hybrid-electric vehicle	WLTP Worldwide Harmonised Light Vehicle Test Procedure
FCEV Fuel-cell electric vehicle (hydrogen)	× No benefit or incentive
EREV Extended-range electric vehicle	




TAX BENEFITS			INCENTIVES	
Acquisition	Ownership	Company cars	Purchase	Infrastructure
🇦🇹 AUSTRIA				
<p>VAT deduction and exemption for zero-emission passenger and combination cars used for business purposes (eg BEVs and FCEVs).</p> <p>VAT deduction applies according to gross purchase value (including 20% VAT and pollution tax):</p> <ul style="list-style-type: none"> • ≤ €40,000: full VAT deduction • €40,000-80,000: VAT deduction for the first €40,000 • > €80,000: no VAT deduction 	<p>Exemption from ownership and pollution taxes for zero-emission passenger and combination cars.</p>	<p>Exemption from ownership and pollution taxes for zero-emission passenger and combination cars.</p> <p>A tax investment incentive for the purchase of a zero-emission car amounting to 15% of the purchase price, and a special depreciation applies.</p> <p>For employees, the private use of a zero-emission company car, and the electricity to charge it, are exempt from taxation as benefit in kind.</p>	<p>Bonus (until 31 May 2025) for the purchase of new cars and vans (private use) with a fully electric range of ≥ 60km and gross list price of ≤ €60,000: €2,000 + €3,000 (importer bonus and federal bonus) for BEVs and FCEVs.</p> <p>Additional incentives are granted by provinces and communities.</p> <p>More details: www.umweltfoerderung.at.</p>	<p>Bonus (until 31 May 2025) for the purchase of the following loading infrastructure (private use):</p> <ul style="list-style-type: none"> • €600 for an intelligent loading cable • €600 for a wallbox (in a single-/double-family home) • €900 for a wallbox (in a housing complex as single equipment) • €1,800 for a wallbox (in a housing complex as integrated equipment with load management) <p>Additional incentives are granted by provinces and communities.</p> <p>More details: www.umweltfoerderung.at.</p>



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BELGIUM				
Brussels and Wallonia: minimum tax rate (€61.50) for BEVs and FCEVs. Flanders: BEVs and FCEVs exempt. PHEVs as well if registered before 1 January 2021.	Brussels and Wallonia: minimum rates for BEVs and FCEVs (€97.68/year). Flanders: BEVs and FCEVs exempt. 6% VAT (instead of 21%) for electricity consumption.	Tax benefits in Brussels, Flanders, and Wallonia for BEVs and FCEVs also apply to company cars. Maximum deductibility (100%) of expenses for M1. Minimal annual benefit in kind for BEVs, FCEVs, and PHEVs: 4% of the list value.	Flanders: €4,000 premium in 2025 for a new zero-emission car purchased by a natural person, a non-profit organisation, or a vehicle sharing platform, with a price cap of €40,000 (including VAT). Used zero-emission vehicles of at least three years old and with a list price below €60,000 can also benefit from this grant, with an amount of €2,500.	Some municipalities in Flanders have purchase subsidies for charging infrastructure installation. Brussels city exempts companies from the parking tax if a parking spot is equipped with a charging point. Charging installation at company premises is 100% deductible. A private owner receives a 15% tax reduction when installing a monodirectional charger up to €1,750, or a bidirectional charger up to €8,000. 75% of the charging cost can be deducted from the income tax.
BULGARIA				
Exemption for electric vehicles.	Exemption for electric vehicles.	×	×	×
CROATIA				
No excise duties for electric vehicles.	Exemption from special environmental tax for electric vehicles.	×	Incentive scheme (once a year, limited funds): • €9,000 for BEVs • €5,000 for PHEVs The purchase deadline is 31 December 2025. The vehicle must be kept for at least two years and cost ≤ €50,000.	Co-financing the installation of charging stations for legal entities and the public (limited funds). Planned for the first half of 2025.
CYPRUS				
Exemption for vehicles emitting ≤ 120g CO ₂ /km.	Minimum rate for vehicles emitting ≤ 120g CO ₂ /km.	×	Up to €15,000 to scrap and replace with a new vehicle emitting < 50g CO ₂ /km. Up to €20,000 to buy a new zero-emission vehicle. €9,000 to buy a used zero-emission vehicle. More details: www.mcw.gov.cy/mcw/rtd/rtd.nsf/All/BE564B967D6AC-569C2258ABD002B1C66 .	×






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 CZECHIA				
✗	<p>Reduced levy:</p> <ul style="list-style-type: none"> BEVs: 0.25% until end of 2028 PHEVs: 0.5% until end of 2025 <p>Vehicles with a special "EL" number plate may have various benefits (eg free/cheaper parking, etc). BEVs, PHEVs, and FCEVs are exempt from road tax.</p> <p>Road toll:</p> <ul style="list-style-type: none"> BEVs exempt. PHEVs emitting ≤ 50g CO₂/km pay 25%. <p>Accelerated depreciation for BEVs and FCEVs until 2028.</p>	BEVs, FCEVs, and PHEVs are exempt from registration charges. Tax reduction from 1 to 0.25% for BEVs, and 0.5% for PHEVs also used for private purposes.	Purchase incentives for low- and zero-emission vehicles for municipalities, state, and local government bodies.	Reduced depreciation period for charging stations from 10 to five years (wallboxes and standalone charging stations). Support from the Ministry of Transport for the development of charging and hydrogen refuelling infrastructure for BEVs and FCEVs.
 DENMARK				
<p>Zero-emission vehicles (BEVs and FCEVs):</p> <ul style="list-style-type: none"> Pay 40% of the registration tax Additional DKK 165,500 registration tax deduction <p>Low-emission vehicles (PHEVs and EREVs emitting < 50g CO₂/km):</p> <ul style="list-style-type: none"> 65% of the registration tax Additional DKK 45,000 registration tax deduction 	<p>Ownership taxes are based on CO₂ emissions. Zero-emission cars and cars with CO₂ emissions of maximum 58g/km pay the minimum semi-annual tax rate of DKK 420.</p>	The value of a charging stand/outlet provided together with the company car (at the employee's residence) is not taxed.	✗	✗
 ESTONIA				
Basic amount of €150 + €2/kg for vehicles exceeding 2,400kg (up to €2,200).	Basic amount of €50 + €0.40/kg for vehicles exceeding 2,400kg (up to €440).	✗	€5,000 for individuals to buy or lease a new BEV.	✗
 FINLAND				
Zero-emission passenger cars have been exempt from registration taxes since October 2021.	✗	Tax deduction of €170 per month from taxable value (income tax) for BEVs (2021-2029), and €85 per month for cars with 1-100g CO ₂ /km (2022-2025). Electric vehicle charging at the workplace is exempt from income tax (2021-2025).	✗	✗

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FRANCE				
Since March 2025, Regions can provide an exemption on registration tax (either total or 50%) for BEVs or FCEVs.	×	Taxes on the allocation of vehicles for economic purposes (formerly «TVS»): exemption for BEVs and FCEVs.	<p>Bonus for a new BEV or FCEV eligible for the minimum environmental score (list established by decree and available here) if ≤ €47,000 and < 2.4t:</p> <ul style="list-style-type: none"> • €4,000 for households with income < €16,300 • €3,000 for households with income €16,300–26,200 • €2,000 for other households 	<p>Advenir programme (led by Avere France) to support the installation of charging stations on the French territory:</p> <ul style="list-style-type: none"> • €1,000–9,000 by charging point for public roads • €500 reduction on income tax by charging point for a single-family home • €600 by charging point for an individual parking space in an apartment building • €1,600 by charging point for a shared parking space in an apartment building • €8,000 by condominium for an electrical infrastructure (whose power can meet at least 20% of the needs of a parking lot) and an additional €5,000 in case of roadway and earthworks for outdoor parking equipment <p>More details: https://advenir.mobi/im-meuble-collectif/.</p>
GERMANY				
×	10-year exemption for BEVs and FCEVs registered until 31 December 2025. Exemption granted until 31 December 2030 at the latest. Exemption from the annual circulation tax for vehicles emitting ≤ 95g CO ₂ /km. More details: www.vda.de .	Reduction of the taxable amount for BEVs and PHEVs (0.5–1% of the gross catalogue price per month). PHEVs must meet additional requirements, which become more stringent over time. Additional reduction of the taxable amount for BEVs with a gross list price up to €70,000 (0.25–1% of gross catalogue price per month). More details: www.vda.de .	×	×

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🇬🇷 GREECE				
<p>Registration tax:</p> <ul style="list-style-type: none"> BEVs: exemption PHEVs emitting ≤ 50g CO2/km: 75% reduction HEVs emitting > 50g CO2/km: 50% reduction 	<p>Exemption from the circulation tax for:</p> <ul style="list-style-type: none"> cars emitting ≤ 122g CO2/km (WLTP) HEVs with engine capacity < 1,550cc and registered before 31 October 2010 HEVs with engine capacity ≥ 1,550cc registered before 31 October 2010 pay 60% <p>BEVs with a net retail price (NRP) ≤ €50,000 are exempt from the personal income presumption system. Higher NRPs have a very low tax effect.</p>	<p>Exemption of the benefit-in-kind tax for BEVs and PHEVs emitting ≤ 50g CO2/km (NEDC or WLTP) with a NRP ≤ €40,000.</p> <p>€40,000 deductible in the NRP for BEVs and PHEVs up to 50g CO2/km with a higher NRP value.</p>	<p>30% cashback on NRP for BEVs, with a maximum cashback of €9,000 for individuals and €6,000 for companies.</p> <p>Extra €2,000 if a car of ≥ 10 years is scrapped, and extra €1,000 if the buyer is ≤ 29 years old.</p> <p>40% cashback on NRP for battery-electric taxis, with a maximum cashback of €17,500. Extra €5,000 for scrapping the old taxi, which is mandatory.</p>	<p>€500 subsidy for the purchase of a wallbox.</p>
🇭🇺 HUNGARY				
<p>Exemption for BEVs and PHEVs.</p>	<p>Exemption for BEVs and PHEVs.</p>	<p>Exemption for BEVs and PHEVs.</p>	<p>Subsidy scheme for companies to buy BEVs:</p> <ul style="list-style-type: none"> €5,500 for a M1 of maximum €30,000 and a battery capacity of ≤ 41kWh €9,500 for a M1 of maximum €37,000 and a battery capacity of 41–59kWh €10,500 for a M1 of maximum €52,700 and a battery capacity of > 59kWh <p>Applications for this subsidy scheme will close end of March 2025.</p>	<p>The total cost of electric charging stations is deductible from the corporate income tax base of energy suppliers.</p>
🇮🇪 IRELAND				
<p>€5,000 relief for BEVs up to €40,000. The relief gradually reduces after €40,000 and ends at €50,000. BEVs are exempt from NOx tax.</p>	<p>Minimum rate (€120 per year) for BEVs. Reduced rate (€140 per year) for PHEVs ≤ 50g CO2/km.</p>	<p>0% of benefit in kind applies to the first €45,000 for BEVs.</p>	<p>Purchase incentives for individuals: up to €3,800 for BEVs.</p>	<p>Home charger Grant: up to €300 towards the purchase and installation of a home charger unit.</p> <p>National Infrastructure: ZEV I TII EV Recharging Infrastructure LDV National Road Grant Schemes support the capital costs of installing the new recharging infrastructure, funding of up to 70% of eligible costs, to a maximum permissible level of €300,000.</p>

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 ITALY				
×	BEV: Five-year exemption from the date of first registration. After this period, a 75% tax rate reduction applied to equivalent petrol vehicles. HEV: Application of a minimum flat rate (€2.58/kW). Some regions apply discounts on tax ownership.	×	×	×
 LATVIA				
Exemption from registration costs for BEVs (first registration only).	Exemption for cars emitting ≤ 50g CO2/km.	Minimum rate (€10) for BEVs.	×	×
 LITHUANIA				
BEVs are exempt from the registration tax. VAT deduction for purchasing a BEV up to €50,000 (including VAT).	×	Purchase incentives (bonus) for vehicles ≤ six months: • BEVs: €5,000 • Additional €1,000 for scrapping a used diesel or petrol car, owned for at least 12 months, with a valid MOT Maximum subsidy is €400,000 per company.	Purchase incentives (bonus) for individuals: • €2,500 for a used BEV with a first registration after 2 April 2016, or model year 2016 or newer • €5,000 for a new BEV not older than six months from the first registration • €2,000 for a new PHEV • Additional €1,000 for scrapping used diesel or petrol cars, owned for at least 12 months, and with a valid MOT The maximum purchase price of an eligible vehicle is €45,000.	Private charging infrastructure subsidy: • Up to €1,500 for wallboxes or charging cables • Up to €3,000 for shared systems in multi-party buildings Public charging infrastructure subsidy: up to €10,000.


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 LUXEMBOURG				
✗	Minimum rate of €30/year for zero-emission vehicles.	<p>Monthly benefit in kind in 2025 and 2026:</p> <ul style="list-style-type: none"> • BEVs ≤ 16kWh/100km: 0.5%; • BEVs > 16kWh/100km: 0.6%; • FCEVs: 0.5%; <p>instead of the usual 2% added as taxable income to the revenue of the employee.</p>	<p>Purchase bonus for BEVs or FCEVs:</p> <ul style="list-style-type: none"> • €6,000 for cars with a WLTP consumption of ≤ 16kWh/100km • €3,000 for cars with a WLTP consumption of 16–18kWh/100km • €0 for cars with a WLTP consumption of > 18kWh/100km <p>Family cars as of 7 seats will always receive €6,000. Second hand BEVs older than three years receive a purchase bonus of €1,500. The bonus cannot exceed 50% of the value of the car. The cars must be kept for three years; two years for second hand cars. This counts for all cars ordered between 1 October 2024 and 30 June 2026, and registered before 1 July 2027.</p>	<p>€700 for a standard home charging point (maximum 50%).</p> <p>€1,500 for intelligent home charging point (maximum 50%).</p>
 MALTA				
Minimum rate for vehicles emitting ≤ 100g CO ₂ /km.	Minimum rate for vehicles emitting ≤ 100g CO ₂ /km.	✗	<p>For new BEVs registered after 1 January 2025:</p> <ul style="list-style-type: none"> • €8,000 if selling price ≤ €40,000 • €6,000 if selling price €40,000–100,000 <p>Additional grant of €500–1,000 to scrap a vehicle of at least 10 years old. More details: www.transport.gov.mt/land/sustainable-transport/grant-schemes-on-new-electric-vehicles-and-pedelects/2025-scheme-for-new-electric-vehicles-and-pedelects-7136.</p>	✗
 NETHERLANDS				
Minimum registration tax of €667.	<p>25% tariff for zero-emission cars.</p> <p>75% tariff for PHEVs emitting ≤ 50g CO₂/km.</p>	<p>Minimum rate (17%) for zero-emission cars.</p> <p>Cap at €30,000 for BEVs. No cap for hydrogen cars.</p>	<p>Arbitrary depreciation of environmental investments scheme (Vamil) for fuel-cell electric cars or taxis and battery-electric cars equipped with solar panels. More details: www.rvo.nl/subsidie-en-financieringswijzer.</p>	<p>SPriLa: Grant for entrepreneurs to install public charging infrastructure for their own electric vehicles or leased premises.</p>

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 POLAND				
Exemption for BEVs and FCEVs. Exemption for PHEVs up to 2,000cc until end 2029.	Depreciation: <ul style="list-style-type: none"> up to PLN 225,000 for BEVs and FCEVs up to PLN 150,000 for other vehicles 	×	Purchase and leasing incentives for individuals and sole proprietorships: PLN 18,750–40,000 for BEVs of a maximum net price of PLN 225,000.	×
 PORTUGAL				
BEVs: complete exemption. PHEVs: 75% reduction if range in all-electric mode ≥ 50km and < 50g CO2/km. HEVs: 40% reduction if range in all-electric mode > 50km and ≤ 50g CO2/km.	Exemption for BEVs.	Autonomous corporate income tax: <ul style="list-style-type: none"> Exemption for BEVs Reduction for PHEVs if range in all-electric mode ≥ 50km and CO2 emissions < 50g/km VAT deduction: <ul style="list-style-type: none"> 100% for BEVs ≤ €62,500 + VAT 100% for PHEVs ≤ €50,000 + VAT 	Private users: €3,000 to buy a new BEV, with purchase price of up to €62,500, limited to one vehicle per person.	×
 ROMANIA				
×	Exemption for BEVs.	×	×	×
 SLOVAKIA				
Registration fee: <ul style="list-style-type: none"> BEV: maximum charge of €33 PHEV: 50% reduction 	Road tax: <ul style="list-style-type: none"> Exemption for BEVs 50% for PHEVs Accelerated depreciation for BEVs and PHEVs from four to two years.	Tax reduction from 1 to 0.5% for the private use of a BEV or PHEV company car. The charging of company cars at home is eligible for corporate expense.	×	×
 SLOVENIA				
Minimum additional tax rate (0.5%) for BEVs.	×	No benefit-in-kind tax for BEVs.	Up to €7,200 for new BEVs priced up to €35,000 (including VAT). Up to €6,500 for new BEVs priced €35,000–45,000 (including VAT). Up to €4,500 for new BEVs priced €45,000–65,000 (including VAT).	×

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 SPAIN				
<p>Exemption from 'special tax' for vehicles emitting ≤ 120g CO₂/km. In 2025:</p> <ul style="list-style-type: none"> BEVs, PHEVs, EREVs, and FCEVs (for private use): personal income tax deduction of 15% of the acquisition cost (without taxes) with a maximum of €3,000. Maximum price of the vehicle: €45,000 (without taxes). Home infrastructure installation cost: deduction of 15% in personal income tax (maximum €4,000). <p>Canary Islands: VAT exemption for alternatively-powered vehicles (eg BEVs, FCEVs, PHEVs, EREVs, and HEVs) emitting ≤ 110g CO₂/km.</p>	<p>Road tax: reduction of 75% for BEVs in main cities (eg Barcelona, Madrid, Valencia, Zaragoza, etc).</p>	<p>The use of a company car for private purposes is regarded as a payment in kind and included in the calculation of personal income tax:</p> <ul style="list-style-type: none"> 30% reduction for BEVs and PHEVs ≤ €40,000 20% reduction for HEVs ≤ €35,000 <p>Early amortisation for vehicles (BEVs, PHEVs, and FCEVs) and infrastructure investments.</p>	<p>Retroactive approval of an incentive scheme similar to MOVES III would be planned from 1 January to 30 June 2025. Depending on whether a vehicle is being scrapped:</p> <ul style="list-style-type: none"> €4,500-7,000 for BEVs and FCEVs €2,500-5,000 for PHEVs 	<p>Retroactive approval of an incentive scheme similar to MOVES III would be planned from 1 January to 30 June 2025 as follows:</p> <ul style="list-style-type: none"> Self-employed, individuals, neighbouring communities, and administration: 70% of the eligible cost Companies and public charging points (power ≤ 50 kW): 35% of the eligible cost for a large, 45% for a medium, and 55% for a small company Companies and public charging points (power > 50 kW): 30% of the eligible costs <p>These amounts increase in municipalities with < 5,000 inhabitants.</p>
 SWEDEN				
<p>×</p>	<p>Low annual road tax (SEK 360) for zero-emission vehicles and PHEVs. Higher taxes for new 2025 PHEV models emitting > 75g CO₂/km.</p>	<p>The private use of a company car is taxed on benefits. For some cars, there is a permanent tax reduction of the benefit value:</p> <ul style="list-style-type: none"> BEVs and FCEVs: SEK 350,000 PHEVs: SEK 140,000 <p>The taxable benefit value is based on the new car price and reduced by the amount. The discount may not exceed 50% of the car price.</p>	<p>Temporary scrapping premium for private individuals from 20 August 2024 to 19 August 2025 of SEK 10,000 to scrap an old combustion engine car and buy/lease a new or used battery-electric car.</p>	<p>50% tax deduction of the labour and material costs (maximum SEK 50,000) for households installing a charging box at home for an electric car. For more details: https://skatteverket.se/pri-vat/fastigheterochbostad/gronteknik.4.676f4884175c-97df4192860.html.</p> <p>«Ladda bilen» grant for the installation of AC charging for residents in apartment buildings and workplaces. The grant covers up to 50% of costs (maximum SEK 15,000 per charging point). More details: https://www.naturvardsverket.se/bidrag/ladda-bilen/.</p>

EFTA member states and the United Kingdom (2025)

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🇮🇸 ICELAND				
Minimum tax rate for BEVs and FCEVs: 5% of the customs value.	Minimum tax rate for BEVs and FCEVs: ISK 20,000 (bi-annual).	×	<p>€6,000/ISK 900,000 for a new BEV costing < €67,000/ISK 10m retail price. Used BEV costing < €67,000/ISK 10m retail price:</p> <ul style="list-style-type: none"> • €4,700/ISK 700,000 for a car of < one year old • €4,000/ISK 600,000 for a car of one-two years old • €3,350/ISK 500,000 for a car of two-three years old • €2,700/ISK 400,000 for a car of three-four years old 	×
🇳🇴 NORWAY				
<p>VAT (25%) exemption for BEVs of ≤ NOK 500.000 (€44,000). BEVs are exempt from the vehicle weight tax. Tax deduction for cars emitting < 70g CO2/km.</p>	<p>Reduction for BEVs and PHEVs:</p> <ul style="list-style-type: none"> • only pay the scrapping fee (€249) • minimum annual road tax rate of NOK 455 (€48) <p>BEVs pay 70% of road toll.</p>	20% reduction on company car tax.	×	<p>Some municipalities offer grants to upgrade or install recharging infrastructure to housing associations. For parking lots and new buildings, a minimum amount of 6% has to be allocated to electric cars.</p>
🇨🇭 SWITZERLAND				
×	Various cantons reduce or exempt traffic tax over a certain period, depending on fuel consumption (CO2/km).	Various cantons reduce or exempt from the traffic tax over a certain period, depending on fuel consumption (CO2/km).	×	Various cantons and municipalities contribute to the installation costs for electromobility.

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 UNITED KINGDOM				
×	×	<p>Preferential tax rates for electric and ultra-low emission cars (< 75g CO2/km). More details: www.gov.uk/tax-company-benefits/tax-on-company-cars.</p>	<p>35% discount (maximum £2,500) for a converted car to a wheelchair-accessible vehicle. It should:</p> <ul style="list-style-type: none"> • have zero CO2 emissions; • be able to travel ≥ 112km without any emissions; <p>and</p> <ul style="list-style-type: none"> • cost < £35,000 (conversion cost not included). 	<p>Electric vehicle infrastructure grant for businesses with ≤ 249 employees. Funding confirmed until 25 March 2025.</p> <p>Electric vehicle chargepoint grant for households, renters, and flat owners. It covers up to 75% of the cost and maximum £350/socket (maximum 40 sockets). Funding confirmed until 31 March 2025.</p> <p>The Workplace Charging Scheme (WCS): a business scheme for electric car charger installation. It covers up to 75% of the cost and maximum £350/socket (maximum 40 sockets). Funding confirmed until 31 March 2025.</p> <p>More details: www.gov.uk/guidance/electric-vehicle-charge-point-and-infrastructure-grant-guidance-for-installers.</p>