

Chapter 5

Taxing vehicles

This chapter describes the main features of vehicle taxes and their use for influencing customer behaviour over the last decades, in particular within the context of environmental policies. It looks in more detail at the taxes on sale and registration of vehicles and recurrent taxes on use of motor vehicles and their components and provides comparative statistics on the level of these taxes.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

1. Introduction

Taxes on vehicles were introduced in most OECD countries in the first half of the 20th Century and have become an important source of tax revenue for most governments. All member countries rely heavily on a range of tax instruments to ensure significant budgetary receipts from both private and commercial road users. Vehicle taxation in its widest definition represents a prime example of the use of the whole spectrum of consumption taxes including VAT, specific and *ad valorem* taxes. For more than fifteen years, these taxes have been adapted to influence consumer behaviour, mainly to achieve environmental objectives.

Taxes and charges on vehicles include:

- Taxes on purchase (including VAT and retail sales taxes) and registration of motor vehicles, payable once at the time of acquisition, or first putting into service, of a vehicle (see Table 5.A5.1).
- Periodic taxes payable in connection with the ownership or use of the vehicles (see Table 5.A5.2).
- Taxes on fuels (see Tables 4.A4.5 to 4.A4.7 in Chapter 4).
- Any other taxes and charges, such as insurance taxes, road tolls, congestion charges, etc.

The sale and use of motor vehicles generates considerable VAT or sales tax revenue. These taxes are levied on the import and sale of vehicles (in the latter case by application to the full selling price or, for used cars, only in respect of the margin between the buying and the selling price). VAT or sales tax will also apply to general maintenance and running costs. In addition, they are levied in most cases on the final duty-paid value (e.g. VAT on fuel is levied on the excise-inclusive price, see Tables 4.A4.5 to 4.A4.7).

Taxes on vehicles reflect a variety of influences beyond the obvious need to raise revenue. Geographic, industrial, social, energy, transport and environmental policy considerations have all had an influence on the level and structure of taxation. Most of them (except more recent pollution-related taxes) were instituted in a time when cars were considered luxury items. Wider ownership of cars in recent decades has reduced the progressivity of those taxes (many low income households have at least one car today). In most cases, current taxation schemes are used to influence consumer or business behaviour. More recently, energy and environmental considerations have led to an adjustment of taxation according to the fuel efficiency of vehicles, CO₂ and other polluting emissions, town planning and transport policies, including the introduction of road or urban tolls.

In most countries, total taxes on vehicles result from a combination of one-off (on purchase or import) and recurrent (on ownership or use) taxes as well as from a mix between *ad valorem* (on the price) and specific taxes (taking into account polluting emissions, weight, engine power, number of axles, age, fuel efficiency, equipment, suspension, cylinder capacity, number of seats, type of fuel, electric propulsion and distance covered). A number of other elements should also be taken into consideration such as insurance premium taxes;

specific road tolls (bridge or motorway tolls) and fuel or energy taxes. Therefore, taxes on sale/registration and use of motor vehicles shown in Tables 5.A5.1 and 5.A5.2 should not be regarded in isolation from the other tax bases and rates.

This Chapter focuses on taxes on purchase/registration and ownership/use of vehicles as they are (along with fuel taxes) by far the most important motor vehicles related taxes in terms of revenues.

2. Car taxation and polluting emissions

Governments have developed policies for reducing motor vehicle pollution for about forty years by imposing technical norms to the car industry. For example, in the European Union polluting emissions have been regulated since 1970 and a series of amendments have been issued since then to gradually tighten the limit values. The current norms set maximum emissions of carbon monoxide (CO), Volatile Organic Compounds (VOC), nitrogen oxides (NO_x) and particles. It resulted in the Euro V (applicable since September 2009) and Euro VI (setting lower emission limits for the registration and sale of new types of cars and vans as of 1 September 2015) norms for light-duty vehicles (Directive 98/70/EC) and in the Euro V and VI standards for heavy duty vehicles (Directive 1999/96/EC). Emissions of carbon dioxide (CO₂) have also been targeted by the European Commission since 2007 and the EU has put in place a comprehensive legal framework to reduce CO₂ emissions from new light duty vehicles as part of efforts to ensure it meets its greenhouse gas emission reduction targets under the Kyoto Protocol and beyond. As a result of EU regulation (510/2011), the EU car manufacturers' fleet average has to be aligned with 130g CO₂/km – partially as of 2012 and completely by 2015. In addition, the integrated approach measures (e.g. eco-innovations) should bring the average emission per vehicle to 120g CO₂/km. Norms for heavy-duty vehicles (busses, trucks, etc.) will in principle also be developed as part of a comprehensive strategy to reduce CO₂ emissions.

Taxation is increasingly used to influence customer behaviour and encourage the purchase of low polluting vehicles. In 2014, more than three quarters (27 out of 34) of OECD member countries apply lower taxes or exemptions on purchase or annual registration charges for vehicles according to environmental or fuel efficiency criteria (see Tables 5.A5.1 and 5.A5.2). Amongst them, 21 base purchase or annual registration taxes directly on polluting emissions (for example, the level of CO, CO₂, NO_x or particulate matter per kilometre) and 18 have tax rebates or exemptions for electric or hybrid vehicles. A number of EU Member States use the polluting emission norms set by the European Directives (see paragraph above) as a benchmark for their vehicle taxes although there is currently no European rule regarding car taxation.

Differentiating motor vehicle purchase taxes according to the fuel-efficiency or the polluting emissions can give potential vehicle purchasers an immediate incentive to buy a vehicle that causes relatively few emissions. Differentiation in purchase or annual registration charges on motor vehicles may also provide such an incentive, but somewhat less directly. Very high registration taxes are also likely to reduce the number of new motor vehicles purchase. However, while this would at first appear to favour environmental policy, higher purchase taxes on vehicles can cause some purchasers to defer their purchase or to purchase a used vehicle, increasing the population of older, more polluting, cars. Another factor is the interaction between purchase and annual taxes that are set on the basis of emissions or car age; because where an older or more polluting vehicle will pay higher

annual taxes, this may also counter the impact of purchase taxes (particularly if these are lower for lower polluting vehicles). To combat this, some countries have introduced bonus schemes to scrap old cars and encourage the purchase of new cars. By making assumptions regarding how far a vehicle is driven over its lifetime, one can also calculate tax rates expressed per tonne CO₂ each vehicle will emit over its lifetime. Comparisons make it clear that the tax rates applied per tonne CO₂ emitted over a vehicle's lifetime vary significantly between countries (for an in-depth study on this topic, see OECD, 2009).

3. Taxes on purchase and registration of motor vehicles

Taxes on the acquisition and registration of motor vehicles may include VAT, sales taxes, excise duties and other fees and charges associated with the registration of a vehicle. These taxes may vary considerably from one country to another (see Table 5.A5.1). They are based on a large diversity of criteria or a combination of these criteria. There are five main criteria against which the tax can be assessed:

- The price or value of the vehicle.
- The engine power or cylinder capacity.
- Environmental impact (fuel consumption, polluting emissions, the type of fuel used).
- Social considerations: exemptions for emergency vehicles, ambulances, vehicles for disabled people, vehicles for public transport, etc.
- The use of the vehicle (specific criteria apply to commercial vehicles such as number of axles, cargo room, number of seats, etc.).

A number of specific elements can also be taken in consideration for assessing the tax burden such as weight, presence of safety equipment or of air conditioning. Taxation is also adjusted according to the age of the vehicle in several countries and a specific tax applies on tyres in the United States.

The burden of these taxes may vary considerably from one country to another and sometimes between states, provinces, cities or regions in several countries. For example, a VAT rate of 5% and a 3% acquisition tax apply in Japan while a 25% VAT and a 180% registration tax applies in Denmark.

Unlike many other products, the international differences in taxation of sale and registration of motor vehicles do not give rise to cross-border shopping as motor vehicles need to be registered with a unique identification number in the principal country of use. Even in the integrated market of the European Union there has been no harmonisation or even approximation of taxes or tax rates on motor vehicles.

Nevertheless, high registration taxes may affect the functioning of the motor vehicle market. Generally, registration tax paid in the country of first registration is not paid back when a car is transferred from one country to another (e.g. when the owner moves from one country to another). When registration tax has to be paid (again) in the country of destination where the car is to remain permanently on its territory, double taxation occurs. In addition, the large differences in tax systems reinforce the car market fragmentation. As tax requirements differ, cars marketed in one country with specifications designed to meet the national tax structure (e.g. brackets of fiscal horsepower, tax policy regarding diesel) are imperfect substitutes and may not effectively compete with cars sold in a different country. Also pre-tax prices appear to be influenced by tax considerations. Significant tax differentials may encourage consumers in some cases to buy cars in countries where

registration taxes are very high (and, where car manufacturers tend to offer lower prices net of taxes by compensation) and import and register them in their own country. This may undermine the benefits that should derive from a competitive market for both consumers and industry. To remove those obstacles to competition within the Internal Market, the European Commission has made a proposal to restructure car taxation systems in the European Union (European Commission, 2005). This proposal includes the abolition or reduction of car registration taxes over a transitional period of 5 to 10 years, compensated by an increase of annual taxes on ownership or use of vehicles (see Section 4). However, it has yet to be approved by the Member States (such approval requires unanimity amongst the 28 Member States).

4. Periodic taxes in connection with ownership or use of motor vehicles

Taxes on the use of vehicles include recurring charges levied on the right to drive on public roads, usually in the form of an annual motor tax (see Table 5.A5.2). Taxes on the operation of motor vehicles also include excise duties on fuel (see Chapter 4) and motorway charges or other road user tolls and motor fuel taxation. Recurring taxes on the ownership of motor vehicles can take many forms. The main elements used to assess these kinds of taxes are very similar to those used for assessing taxes on sale and registration such as use (commercial or not), vehicle type, type of fuel, engine size, age, emissions of pollutants and fuel efficiency.

Bibliography

European Commission (2005), Proposal for a Council Directive on passenger car related taxes, COM(2005)261final, Brussels.

Barde, J.P. and N.A. Braathen, (2005), "Environmentally Related Taxes" in Sijbren Cnossen (ed), *Theory and Practice of Excise Taxation*, 120 – 54, Oxford, United Kingdom.

OECD (2009), *Incentives for CO₂ Emissions Reductions in Current Motor Vehicle Taxes*, OECD Publishing, Paris, [www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=env/epoc/wpnep/t\(2009\)2/final&doclanguage=en](http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=env/epoc/wpnep/t(2009)2/final&doclanguage=en).

Motor Vehicle Taxes Database (www.oecd.org/env/policies/database).

ANNEX 5.A5

Data on car taxation

Table 5.A5.1. Taxes on sale and registration of motor vehicles^a

	Taxes	Criteria	Rebates/Exemptions
Australia	<p>GST: 10%.</p> <p>Luxury Car Tax: 33% per cent calculated on the value of the car that exceeds the luxury car tax threshold. The luxury car tax threshold is currently AUD 60 316, tax inclusive (including GST).</p> <p>Registration fee calculated on the tare weight of the vehicle</p> <p>Stamp duty calculated on the value of the vehicle.</p>	<p>Value</p> <p>Weight</p>	<p>Emergency vehicles such as ambulances and fire engines.</p> <p>Vehicles modified to suit the transportation of eligible people with disabilities.</p> <p>Luxury Car Tax: Eligible fuel efficient cars are subject to a higher threshold known as the “fuel efficient car limit”, AUD 75 375, tax inclusive for the 2013-14 financial year. Exemptions apply for emergency vehicles, vehicles modified to transport a person in a wheelchair (provided it is not GST-free), commercial vehicles primarily used for carrying goods in business or trade. Eligible tourism operators and primary producers are eligible to claim a refund of LCT paid up to AUD 3 000 for certain cars.</p> <p>GST: exemption is provided to veterans and persons with a disability that fulfil legal requirements.</p>
Austria	<p>VAT: 20%.</p> <p>New Car Registration Tax: while the tax base is the selling price, the tax rate depends on the standard fuel consumption of the car, i.e.:</p> <ul style="list-style-type: none"> - Petrol cars: 2% of the purchase price x (fuel consumption in litres – 3 litres); - Diesel cars: 2% of the purchase price x (fuel consumption in litres – 2 litres). 	<p>Value</p> <p>Fuel efficiency</p> <p>CO₂ emissions</p> <p>Polluting emissions</p> <p>Bonus-malus</p>	<p>Cars emitting less than 120 g CO₂/km receive a maximum bonus of EUR 300. Cars emitting more than 150 g CO₂/km pay a penalty of EUR 25 for each gram of CO₂ emitted in excess of 150 g CO₂/km. Cars emitting more than 170 g CO₂/km pay a further penalty of additional EUR 25 for each gram of CO₂ emitted in excess of 170 g CO₂/km. Cars emitting more than 210 g CO₂/km pay a further penalty of additional EUR 25 for each gram of CO₂ emitted in excess of 210 g CO₂/km. Alternative fuel vehicles attract a bonus of maximum EUR 500. Diesel cars emitting more than 5 mg of particulate matter per km pay a penalty of EUR 300. Conversely, diesel cars emitting less than 5 mg of particulate matter per km and less than 80 g NO_x/km attract a bonus of maximum EUR 200. The same applies to petrol cars emitting less than 60 g NO_x/km.</p>
Belgium	<p>VAT: 21%.</p> <p>Entry into Service Tax: depends on engine power and vehicle age (the tax is set according to a progressive scale from EUR 61.50 to EUR 4 957.00).</p> <p>The company car tax is based on CO₂ emissions. The deductibility of expenses, except for fuel costs, related to the use of the car (50 to 120%) is linked to CO₂ emissions.</p>	<p>Value</p> <p>Age</p> <p>Engine power</p> <p>CO₂ emissions</p> <p>Type of fuel/gas</p> <p>Bonus-malus</p>	<p>Exemption for disabled people and war invalids; rescue vehicles.</p> <p>Rebate (EUR 298.00) for cars running with Liquefied Gas Petroleum or other Gas.</p> <p>A bonus/penalty system is operated in the Walloon Region. The bonus is from EUR 500 for vehicles emitting less than 90 g CO₂/km up to a maximum of EUR 3 500 for cars emitting 0 g CO₂/km. A complement is assigned when the beneficiary has at least 3 dependent children or if the beneficiary has at least one disabled child or when the beneficiary is a disabled person. Cars emitting 146 g CO₂/km and more pay a penalty with a maximum of EUR 2 500 for cars emitting more than 255 g CO₂/km. The penalty is reduced when the beneficiary has at least 3 dependent children, for cars with gas-powered engines and for old-timers.</p>

Table 5.A5.1. Taxes on sale and registration of motor vehicles^a (cont.)

	Taxes	Criteria	Rebates/Exemptions
Canada	<p>GST: 5%. HST: 13%, 14% or 15% for sales in the participating provinces. The following provinces have harmonised their provincial sales taxes with the federal Goods and Services Tax and therefore levy a rate of GST/HST of: New Brunswick, Newfoundland and Labrador, Ontario: 13%; Prince Edward Island: 14%; Nova Scotia 15%; Québec applies GST at a rate of 5% and Québec Sales Tax at a rate of 9.975%. Provincial tax rates are applicable for sales made in provinces not applying HST. Automotive Air Conditioning Tax: CAD 100 per unit. Tax on Fuel Inefficient Vehicles: vehicles with a weighted fuel consumption rating of 13 or more litres per 100 kilometres (55% city and 45% highway) are subject to an excise tax at the following rates: at least 13 but less than 14 litres per 100 kilometres, CAD 1 000; at least 14 but less than 15 litres per 100 kilometres, CAD 2 000; at least 15 but less than 16 litres per 100 kilometres, CAD 3 000; and 16 or more litres per 100 kilometres, CAD 4 000.</p>	<p>Value Fuel efficiency Air conditioning</p>	<p>Rebate of GST/HST – Specially Equipped Motor Vehicle: to end-users of specially equipped motor vehicles for persons with disabilities. The rebate is only available on the GST/HST paid on the portion of the purchase price that is attributable to the special features. Rebate of Excise Tax on Fuel Inefficient Vehicles – Specially Equipped Van: to end-users of vans equipped with a device designed exclusively to assist in placing a wheelchair in the van without having to collapse the wheelchair.</p>
Chile	<p>VAT: 19% (used cars are exempt with some exceptions). Registration fees payable to Civil Registry: first registration fee, new plate fee, fee for registration and transfer of vehicles. Tax on transfer of used motor vehicles (levied by municipalities): 1.5% of the value of the vehicle.</p>	<p>Value Fixed fee</p>	–
Czech Republic	<p>VAT: 21%. Registration fee: motorcycles CZK 300 or 500 (depending on cylinder capacity). Other motor vehicles: CZK 800. The fee includes the registration plate. Permit fee on non-standard motor vehicles.</p>	<p>Value Cylinder capacity</p>	
Denmark	<p>VAT: 25%. Vehicle registration tax: payable on first registration of the vehicle. Graduated tax rates according to the value of the vehicle (with lower rates for commercial vehicles) from 105% to 180% (on the remainder above DKK 80 500) for private vehicles and from 0% to 50% (on the remainder above DKK 17 300) for commercial vehicles.</p>	<p>Value Utilisation Safety equipment Anti-pollution equipment</p>	<p>Rebate for low fuel consumption vehicles: Registration tax is reduced by DKK 4 000 for every kilometre the vehicle can run in excess of 16 km with 1 litre of petrol or in excess of 16.5 km with 1 litre of diesel. A supplement of DKK 1 000 is payable for cars for every kilometre less than 16 km (petrol) or 18 km (diesel) they can run on one litre of fuel. Traffic Safety Equipment: Motor vehicles with major traffic safety equipment receive a deduction in the value liable to registration duty up to DKK 13 370. Motor vehicles with minor traffic safety equipment receive a deduction between DKK 200 and DKK 600.</p>
Estonia	<p>VAT: 20%. Vehicle registration fee (State fee): vehicle: EUR 128; temporarily imported vehicle: EUR 335.</p>	<p>Value Type of vehicle</p>	
Finland	<p>VAT: 24%. Vehicle Registration Tax is based on CO₂ emissions. Rates vary from 5% of the general consumer price of the vehicle for cars emitting 0 g/km or less to 50% for cars emitting 360 g/km or more. For delivery vans, there is a deduction based on maximum laden weight of the vehicle for vans over 2 500 kg. For motor cycles, varies according to the cylinder capacity, between 9.8% and 24.4%, and the base is general retail value.</p>	<p>Value CO₂ emissions Utilisation Cylinder capacity Type</p>	<p>Exemption for disabled people, taxis, motor homes, cars used for veterinary purposes, rescue vehicles and funeral cars.</p>

Table 5.A5.1. Taxes on sale and registration of motor vehicles^a (cont.)

	Taxes	Criteria	Rebates/Exemptions
France	<p>VAT: 20%.</p> <p>Tax on Registration Certificates or regional tax on certificates is based on engine power and CO₂ emissions. Rates vary between EUR 27 and EUR 46 per horsepower, according to the region. CO₂ emission component of the tax varies from EUR 0 for vehicles emitting less than 160 g CO₂/km to EUR 2 600 for vehicles emitting more than 250 g CO₂/km. The rate is reduced by half for some vehicles depending on their nature (trucks weighing more than 3.5 tons, motorcycles) or age (more than 10 years old).</p> <p>Additional Lorries Tax is levied on the regional certificate tax for lorries according to their weight (from EUR 38 for less than 3.5 tons to EUR 305 for more than 11 tons or trailers and buses for public transport of passengers).</p> <p>Company car tax is based on CO₂ emissions. Tax rates vary from EUR 2 for each gram emitted for cars emitting 100 g CO₂/km or less to EUR 19 for each gram emitted for cars emitting more than 250 g CO₂/km.</p>	<p>Value</p> <p>Engine power</p> <p>Weight</p> <p>Utilisation</p> <p>Age</p> <p>CO₂ emissions</p> <p>Type of fuel</p> <p>Electric propulsion</p> <p>Bonus-malus</p>	<p>Exemption for new demonstration models weighing less than 3.5 tons, state vehicles, certain motorcycles.</p> <p>Rebate for electricity or gas propelled cars: from 50% to 100% of the Tax on Registration Certificates.</p> <p>Rebate for Ethanol propelled cars: the Tax on Registration Certificates is reduced by 50% for cars that run with E85 fuel (super ethanol).</p> <p>Bonus-malus system: a premium is granted for the purchase of a new car when its CO₂ emissions are 125 g/km or less. The maximum premium is EUR 5 000 (below 60 g/km). A malus is payable for the purchase of a car emitting more than 155 g CO₂/km. The maximum tax amounts to EUR 2 600 (above 245 g/km).</p>
Germany	<p>VAT: 19%.</p>	<p>Value</p>	<p>Exemptions from registration tax:</p>
Greece	<p>VAT: 23%.</p> <p>Registration tax: rate varies</p> <p>From 5% to 346% of the taxable value (wholesale price) for passenger cars according to cylinder capacity and anti-polluting technology (polluting emissions).</p> <p>From 5% to 26% of the taxable value for lorries – trucks, etc., according to cylinder capacity and mass (less or more than 3.5 tons). Rates are increased by 30% for vehicles that do not meet EU Directives'/Regulations' emissions requirements.</p> <p>From 0% to 25% of the taxable value for motorcycles according to cylinder capacity.</p> <p>Registration tax for buses depends on the number of seats.</p> <p>Luxury tax: rate varies from 10% to 40%, according to taxable value.</p>	<p>Value</p> <p>Weight</p> <p>Cylinder capacity</p> <p>Polluting emissions</p> <p>Number of seats</p> <p>Electric propulsion</p>	<p>Cars used by public authorities.</p> <p>Cars with hybrid motor technology or those with electric motors.</p> <p>Cars used by disabled persons.</p> <p>Cars used by parents having at least three (3) children.</p> <p>Ambulances used by public hospitals.</p> <p>Cars used by people who have moved their normal residence to Greece.</p> <p>Cars donated to the Greek police, Fire brigade or Greek coast guards.</p> <p>Exemptions from luxury tax:</p> <p>Taxis, caravans, ambulances, hearses, cars with electric motors.</p> <p>Cars used by disabled persons having complete paralysis of the lower limbs with disability percentage of 80% or 100% and disabled persons having ambilateral amputation of their lower limbs.</p> <p>Cars donated to the Greek police, Fire brigade or Greek coast guards.</p>
Hungary	<p>VAT: 27%.</p> <p>Registration Tax: from HUF 45 000 to HUF 400 000 on new passenger cars, according to engine type (diesel or petrol) and engine cylinder capacity, and from HUF 20 000 to HUF 230 000 on motorcycles, according to engine cylinder capacity. For cars with lower environmental category of engine, higher rates are levied (400, 600, 800 or 1 200% higher), but rate is reduced according to a scale based on age (until 90%). Reduced rate is levied to hybrid cars and HUF 0 is levied to electric cars.</p> <p>Transfer of motor vehicles: the rate of duty shall be determined based on the capacity of motor vehicle's engine (in kW). The tax rate is from HUF 300/kW to HUF 850/kW, depending on the age of the vehicle (the older the vehicle, the less is due).</p>	<p>Engine type</p> <p>Cylinder capacity</p> <p>Engine power</p> <p>Polluting emissions</p> <p>Type of fuel</p> <p>Age</p> <p>Electric propulsion</p>	<p>Reduced registration tax for cars with hybrid engines or with gas-powered engines (HUF 76 000) and for cars with electric engines (HUF 0).</p>

Table 5.A5.1. **Taxes on sale and registration of motor vehicles^a** (cont.)

	Taxes	Criteria	Rebates/Exemptions
Iceland	<p>VAT: 25.5%.</p> <p>Vehicle Registration Fee of ISK 15 000 on initial registration and ISK 2 630 for subsequent changes.</p> <p>Motor vehicle excise duty: based on CO₂ emissions ranging from 0-65%.</p> <p>Excise duties on motor vehicles other than private automobiles.</p> <p>Large goods vehicles, large special purpose vehicles, tractors, agriculture trailers, large snow-mobiles, amphibious vehicles, competition cars and motorbikes, vehicles for transport of disabled persons, rescue vehicles and large coaches is none.</p> <p>Small goods vehicles, small special purpose vehicles, vehicles over 40 years old, motor vehicle bodies 13%.</p> <p>Small coaches, motorbikes, other vehicles 30%.</p>	<p>Value</p> <p>CO₂ emissions</p> <p>Electric propulsion</p>	<p>Temporary VAT exemption at import and domestic sales of electric, hydrogen or plug-in hybrid vehicles.</p>
Ireland	<p>VAT: 23%.</p> <p>Registration Tax: the registration tax is based on CO₂ emissions. Rates vary from 14% of the value of the car for cars with CO₂ emissions of up to 80 g/km to 36% for cars with CO₂ emissions above 225 g/km.</p> <p>Specific rate applies to vehicles designed and constructed for the carriage of goods and having a maximum mass not exceeding 3.5 tons with more than 3 seats and motor caravans (13.30% of the value with a minimum of EUR 125); new motor cycles (EUR 2 per cc up to and EUR 1 per cc above 350 cc); commercial vehicles and "vintage" vehicles (EUR 200) and used motorcycles.</p>	<p>Value</p> <p>CO₂ emissions</p> <p>Type</p> <p>Age</p> <p>Type of fuel</p> <p>Electric propulsion</p>	<p>Relief for hybrid electric vehicles: with a maximum tax relief of EUR 1 500.</p> <p>Relief for plug-in hybrid electric vehicles: with a maximum tax relief of EUR 2 500.</p> <p>Relief for series production electric vehicles: subject to a maximum of EUR 5 000.</p> <p>Rebate for disabled people: 100% relief under disabled driver scheme subject to a maximum of EUR 9 525 for driver and EUR 15 875 for passenger.</p>
Israel ^b	<p>VAT: 18%.</p> <p>Purchase Tax: private and commercial vehicle weight not exceeding 3 500 kg are taxed at 83% of the value.</p> <p>Commercial Vehicles Tax: commercial vehicles over 3 500 kg are taxed at 72% of their value but not eligible for a grant.</p>	<p>Weight</p> <p>Polluting emissions</p> <p>Power</p> <p>Electric propulsion</p>	<p>Rebates according to the polluting emissions: vehicles weighing up to 3 500 kg benefit of a rebate on the Purchase Tax according to their degree of pollution. There are 15 levels of polluting emissions that are set by a "Green Score" (weighting the emission of five major pollutants). Rebate is up to the amount of NIS 15 000.</p> <p>Hybrid vehicles – Pollution level 2 – are taxed at a rate of 30%.</p> <p>Electricity powered vehicles are taxed a rate of 10% of their value, depending on the customs and purchase tax rate.</p>
Italy	<p>VAT: 22%.</p> <p>Registration Tax (IPT): EUR 151 for cars < 53 kw , EUR 3.5 per kw for cars > 53 kW.</p> <p>For other vehicles, such as, for instance, buses, tractors and lorries with trailer, the tax is determined on the basis of their engine power, weight, number of seats or other criteria.</p> <p>Provinces may increase the rate up to a maximum of 30%.</p>	<p>Vehicle type</p> <p>Engine power</p> <p>Polluting emissions</p> <p>Weight</p> <p>Number of seats</p>	<p>Rebate for disabled people, voluntary associations, motorcycles, sale of used cars by private individual to car dealers: 100% relief of the Registration Tax.</p> <p>Reduced registration tax: historic and special vehicles.</p> <p>Registration tax reduced by provinces: eco-friendly vehicles, inherited vehicles, non-profit organisations.</p>
Japan	<p>VAT: 5%.</p> <p>Automobile Acquisition Tax (Prefecture): 5% of purchase price (3% for commercial and light vehicles).</p> <p>From 1 April 2014, 3% of purchase price (2% for commercial and light vehicles).</p>	<p>Value</p>	<p>Special measures of reduced automobile acquisition tax.</p> <p>Vehicles with small burden of environment, barrier-free buses and taxis, trucks with collision damage alleviation brake control device, etc., buses for ordinary passengers used on the bus routes provided for in prefectural ordinance.</p>

Table 5.A5.1. Taxes on sale and registration of motor vehicles^a (cont.)

	Taxes	Criteria	Rebates/Exemptions
Korea	<p>VAT: 10%.</p> <p>Special Excise Tax: from zero to 5% of the manufacturer's price, according to cylinder capacity.</p> <p>Education Tax: 30% on the amount of Excise Tax.</p> <p>Acquisition Tax: 2-7% of the retail price excluding VAT.</p>	<p>Value</p> <p>Cylinder capacity</p> <p>Electric propulsion</p>	<p>Exemptions from special excise tax and education tax:</p> <ul style="list-style-type: none"> – Cars used by disabled persons. – Ambulances used by hospitals. – Cars used for transportation business(public passenger transportation only). – Cars used for car-rental business. <p>Exemptions from acquisition tax:</p> <ul style="list-style-type: none"> – Cars used by disabled persons. – Cars used by parents having at least 3 children. – Small cars for non-commercial activities. <p>Rebate for hybrid and electricity powered vehicles: relief of the Special excise tax [not exceed KRW 1 000 000 (hybrid), KRW 2 000 000 (electricity powered)].</p>
Luxembourg	<p>VAT: 15%.</p> <p>Registration Tax: the tax is calculated per 100 cm³, according to the following formula: $Tax = a * b * c$, where a = CO₂ emissions component; b = multiplier (= 0.9 for cars using gasoil and 0.6 for cars not using gasoil); c = additional multiplier when CO₂ emissions > 90 g/km (= 0.5 plus 0.1 per additional 10 g/km).</p>	<p>Value</p> <p>CO₂ emissions</p> <p>Type of fuel</p> <p>Electric propulsion</p>	<p>Bonus system: purchasers of new hybrid cars emitting less than 60 g CO₂/km and electricity powered vehicles are entitled to a bonus of EUR 5 000.</p>
Mexico	<p>VAT: 16%.</p> <p>New vehicles tax: from 2% to 17%, plus a no movable fee according to vehicle value.</p>	<p>Value</p> <p>Electric propulsion</p>	<p>Exemption of 100% in New Vehicles Tax to vehicles with value up to MXN 208 555.47.</p> <p>Exemption of 50% in New Vehicles Tax to vehicles with value from MXN 208 555.48 to MXN 264 170.27.</p> <p>Exemption of 100% in New Vehicles Tax for hybrid electricity powered vehicles.</p>
Netherlands	<p>VAT: 21%.</p> <p>Registration Tax: for passenger cars, it is fully based on CO₂ emissions and the type of motor fuel used.</p> <p>Vehicles with a CO₂ emission of 0 g/km are in any case exempt from the registration tax. Passenger cars using petrol are exempt in case their emission is ≤ 88 g/km and passenger cars using diesel are exempt in case their emission is ≤ 85 g/km. For passenger cars with higher emissions, the registration tax is progressive and varies between EUR 105 and EUR 474 per g/km exceeding the level of 88 g/km or 85 g/km.</p> <p>Passenger cars using diesel are charged with an additional EUR 72.93 per g/km exceeding the level of 70 g/km.</p> <p>Registration tax for motorcycles and delivery vans is based on the value of the vehicle.</p>	<p>CO₂ emissions</p> <p>Motor fuel</p> <p>Value</p> <p>Electric propulsion</p>	<p>Zero-emission (e.g. electricity powered vehicles) are exempt from Registration Tax.</p> <p>Other examples of exemption are: delivery vans owned by entrepreneurs and used for business purposes for at least 10%.</p> <p>Tax refunds are provided for vehicles such as: vehicles used by fire brigades, vehicles used by the police, funerary vehicles, vehicles used for the transport of prisoners, vans used by disabled persons, (animal) ambulances, taxis and vehicles that are used for secure transport.</p>
New Zealand	<p>GST: 15%.</p> <p>Registration Fee on initial registration: rates vary depending on the cylinder capacity and type of vehicle and whether registration is for 6 months or a year. For private passenger, petrol driven cars this ranges from NZD 291.08 to NZD 462.30.</p>	<p>Value</p> <p>Cylinder capacity</p>	
Norway	<p>VAT: 25%.</p> <p>Registration Tax: rates vary according to weight, engine performance (kW), CO₂-emissions and NO_x-emissions. When CO₂-emissions information is not stated, the tax is calculated based on cylinder capacity instead of CO₂-emissions.</p>	<p>Weight</p> <p>Engine performance</p> <p>CO₂ emissions</p> <p>NO_x emissions</p> <p>Type of fuel</p> <p>Electric propulsion</p>	<p>Electricity powered vehicles are exempt from Registration Tax.</p> <p>Hybrid vehicles (both electric and combustion engine) have a rebate. The engine performance of the electric engine and 10 pct. of the total weight are not included in the tax base. For plug-in hybrid cars the weight deduction is 15%.</p> <p>Flexifuel vehicles (can use fuel with at least 85 pct. ethanol) have a rebate of NOK 10 000 per vehicle.</p>

Table 5.A5.1. Taxes on sale and registration of motor vehicles^a (cont.)

	Taxes	Criteria	Rebates/Exemptions																																				
Poland	<p>VAT: 23%.</p> <p>Excise-Duty is levied on passenger cars prior to their first registration due to their sale, intra-community acquisition and import. The excise tax rates for personal cars depend on engine capacity and amount to:</p> <p>– for passenger cars with engine cubic capacity over 2 000 cm³: 18.6%;</p> <p>– for others – 3.1%.</p>	<p>Value</p> <p>Cylinder capacity</p>																																					
Portugal	<p>VAT: 23%.</p> <p>Vehicle excise duty varies according to the following formula and rates:</p> <p>Cylinder capacity x rate – fixed rebate.</p> <p>Vehicles up to 1 250 cc = number of cc x EUR 0.97-EUR 718.98.</p> <p>Vehicles above 1 250 cc = number of cc x EUR 4.56-EUR 5 212.59.</p> <p>There are other rate brackets for light commercial vehicles and some segments of combined (passenger and freight) vehicles.</p>	<p>Value</p> <p>Cylinder capacity</p> <p>CO₂ emissions</p>	<p>Rebates according to CO₂ emissions:</p> <p>Rebate is calculated according to the formula <i>(grams CO₂/km) x rate – fixed rebate.</i></p> <table border="1"> <thead> <tr> <th>Petrol vehicles</th> <th>EUR</th> <th>EUR</th> </tr> </thead> <tbody> <tr> <td>Up to 115</td> <td>4.03</td> <td>378.98</td> </tr> <tr> <td>From 116 to 145</td> <td>36.81</td> <td>4 156.95</td> </tr> <tr> <td>From 146 to 175</td> <td>42.72</td> <td>5 010.87</td> </tr> <tr> <td>From 176 to 195</td> <td>108.59</td> <td>16 550.52</td> </tr> <tr> <td>More than 195</td> <td>143.39</td> <td>23 321.94</td> </tr> <tr> <td>Diesel vehicles*</td> <td></td> <td></td> </tr> <tr> <td>Up to 95</td> <td>19.39</td> <td>1 540.30</td> </tr> <tr> <td>From 96 to 120</td> <td>55.49</td> <td>5 023.11</td> </tr> <tr> <td>From 121 to 140</td> <td>123.06</td> <td>13 245.34</td> </tr> <tr> <td>From 141 to 160</td> <td>136.85</td> <td>15 227.57</td> </tr> <tr> <td>More than 160</td> <td>187.97</td> <td>23 434.67</td> </tr> </tbody> </table> <p>* Light passengers diesel vehicles with particle emissions equal or above 0.002 grams/km have a penalisation of EUR 500 on the amount of tax.</p>	Petrol vehicles	EUR	EUR	Up to 115	4.03	378.98	From 116 to 145	36.81	4 156.95	From 146 to 175	42.72	5 010.87	From 176 to 195	108.59	16 550.52	More than 195	143.39	23 321.94	Diesel vehicles*			Up to 95	19.39	1 540.30	From 96 to 120	55.49	5 023.11	From 121 to 140	123.06	13 245.34	From 141 to 160	136.85	15 227.57	More than 160	187.97	23 434.67
Petrol vehicles	EUR	EUR																																					
Up to 115	4.03	378.98																																					
From 116 to 145	36.81	4 156.95																																					
From 146 to 175	42.72	5 010.87																																					
From 176 to 195	108.59	16 550.52																																					
More than 195	143.39	23 321.94																																					
Diesel vehicles*																																							
Up to 95	19.39	1 540.30																																					
From 96 to 120	55.49	5 023.11																																					
From 121 to 140	123.06	13 245.34																																					
From 141 to 160	136.85	15 227.57																																					
More than 160	187.97	23 434.67																																					

Table 5.A5.1. Taxes on sale and registration of motor vehicles^a (cont.)

Taxes	Criteria	Rebates/Exemptions
<p>Slovak Republic</p> <p>VAT: 20%.</p> <p>Administrative fees:</p> <p>First record of vehicle in to Slovak cars register shall be registration fee payable by the first owner of a motor vehicle; if the engine capacity is up to 80 kW (apply for new, imported and used cars): EUR 33;</p> <p>First record of vehicle in to Slovak cars register shall be registration fee payable by the first owner; if the engine capacity is in excess of 80 kW and up to 86 kW (apply for new or imported cars): EUR 167;</p> <p>in excess of 86 kW up to 92 kW: EUR 217;</p> <p>in excess of 92 kW up to 98 kW: EUR 267;</p> <p>in excess of 98 kW up to 104 kW: EUR 327;</p> <p>in excess of 104 kW up to 110 kW: EUR 397;</p> <p>in excess of 110 kW up to 121 kW: EUR 477;</p> <p>in excess of 121 kW up to 132 kW: EUR 657;</p> <p>in excess of 132 kW up to 143 kW: EUR 787;</p> <p>in excess of 143 kW up to 154 kW: EUR 957;</p> <p>in excess of 154 kW up to 165 kW: EUR 1 157;</p> <p>in excess of 165 kW up to 176 kW: EUR 1 397;</p> <p>in excess of 176 kW up to 202 kW: EUR 1 697;</p> <p>in excess of 202 kW up to 228 kW: EUR 2 047;</p> <p>in excess of 228 kW up to 254 kW: EUR 2 467;</p> <p>in excess of 254 kW: EUR 2 997.</p> <p>First record of electric car in to Slovak cars register shall be registration fee payable by the first owner of a motor vehicle: EUR 33.</p> <p>Any other record (second, third and so on...) of vehicle in to Slovak cars register shall be registration fee payable by the current owner: EUR 33.</p> <p>Registration fee for assigning and releasing of a licence plate number: EUR 16.50 per one plate number (i.e. EUR 33 for 1 vehicle).</p>	<p>Value</p> <p>Engine capacity</p>	<p>Disabled persons: rebates in administration fees are applied for disabled persons.</p> <p>Other exemptions: state authorities, higher territorial units, budget organisation, diplomats, court of justice, prosecution, police, Slovak red cross and legal person owned by state authority (100% of shares).</p>

Table 5.A5.1. Taxes on sale and registration of motor vehicles^a (cont.)

	Taxes	Criteria	Rebates/Exemptions
Slovenia	<p>VAT: 22%.</p> <p>Motor vehicle tax is paid for passenger motor vehicles, motorcycles and camper vans, which are put into circulation in Slovenia for the first time; imports and acquisitions from other EU Member States are also taxed. The tax base is the selling price of an individual motor vehicle, excluding VAT and this tax. The tax rate is determined according to environmental criteria (CO₂, Euro emission standards) and the rates are determined from 0.5% to 28% for petrol cars and from 1% to 31% for diesel cars. Passenger cars with cylinder capacity over 2 500 cm³ are subject to the additional tax. Rates vary from 8% (2 500 cm³ and more) to 16% (4 000 cm³ and more). For diesel cars particulate matter (PM) emissions are also considered. Tax rates for motorcycles and camper vans are set upon engine power in the range from 1.5% to 5% for motorcycles and 6% to 18% for camper vans. Motorcycles with cylinder capacity over 1 000 cm³ are subject to the additional tax of 5%. Motor vehicle tax is levied only at the time of first registration of a vehicle and not on an annual basis.</p> <p>Environmental tax for pollution of the environment with used motor vehicles is paid for passenger motor vehicles, motorcycles, camper vans and vehicles for the carriage of goods, which are put into circulation in Slovenia for the first time; imports and acquisitions from other EU Member States and imports from third countries are also taxed. The basis for calculating the environmental tax is the mass of a motor vehicle. The amount of tax is determined by the government each year according to the costs of handling used motor vehicles deregistered from traffic on the territory of Slovenia in the previous year. The environmental tax is paid in certain amount per kilo of vehicle and is a precondition for registration. For the year 2014, the amount of tax hasn't been determined and it amounts to 0 EUR/kg. Environmental tax is levied only at the time of first registration of a vehicle and not on an annual basis.</p>	<p>Value</p> <p>Selling price</p> <p>CO₂ emissions</p> <p>Particulate matter emissions</p> <p>EURO emissions standards</p> <p>Engine power</p> <p>Cylinder capacity</p> <p>Weight</p>	<p>Tax exemptions (motor vehicle tax):</p> <ul style="list-style-type: none"> – Vehicles acquired for transport of families with three or more children. – Vehicles purchased for carrying disabled people. – Vehicles intended for: <ol style="list-style-type: none"> 1. official use by diplomatic and consular representations accredited to Slovenia; 2. official use by international organisations, if so stipulated by international treaties binding on Slovenia; 3. personal use by foreign staff of diplomatic and consular missions, accredited to Slovenia, including their family members; 4. personal use by foreign staff of international organisations, including their family members, if so stipulated by international treaties binding on Slovenia. – Used vehicles (old-timers). – Vehicles imported on a temporary basis (the temporary change of residence of the vehicle's proprietor who does not maintain his permanent residence in Slovenia). – Sports vehicles that have not been adapted for road use and are intended only for driving on circuits. – Transfer of vehicles in the case of reorganisations of vehicle's proprietor. – Emergency rescue motor vehicles used for transport of victims and patients. – Leasing of the vehicles. <p>Environmental tax: no exemptions.</p>
Spain	<p>VAT: 21%.</p> <p>Vehicle Registration Tax (VRT) is based on CO₂ emissions. Rates vary from 0% (up to 120 g CO₂/km) to 14.75% (200 g CO₂/km and more).</p>	<p>Value</p> <p>CO₂ emissions</p>	<p>VRT exemptions: taxis, driving school vehicles, rental service vehicles; vehicles acquired and used by disabled people; vehicles with special diplomatic registration; transfer of vehicles in the case of change of residence of vehicle's proprietor.</p>
Sweden	<p>VAT: 25%.</p>	<p>Value</p>	
Switzerland	<p>VAT: 8%.</p> <p>Acquisition Tax on new vehicles (up to 1 600 kg and all passenger cars up to 3 500 kg): 4% of purchase price.</p> <p>No registration tax (but small fees for number plates and registration papers).</p>	<p>Value</p> <p>Electric propulsion</p>	<p>Electrically powered vehicles are exempt from acquisition tax.</p>

Table 5.A5.1. Taxes on sale and registration of motor vehicles^a (cont.)

	Taxes	Criteria	Rebates/Exemptions
Turkey	<p>VAT: 18%.</p> <p>Special Consumption Tax (SCT) is payable on first acquisition of vehicles (importation, acquisition by public auction, acquisition from those who carry out motor vehicle trade, inception of use, capitalisation or registration in the name of those who carry out motor vehicle trading).</p> <p>Motor vehicles: proportional duty is applied. For motor vehicles under CN Code 87.02 and designed for transport of passengers, tax rate is 9% for minibuses, 4% for minibuses and 1% for buses. Passenger cars and other motor vehicles: designed for transport of passengers excluding those under CN Code 87.02 and placed under CN Code 87.03 and having a max. weight of 3.5 tons and passenger carrying capacity less than 50% of max. load capacity. Vehicles with a max. loading capacity not over 850 kg and having an engine capacity below 2 000 cm³ are subject to the SCT at a rate of 15% and the ones with a max. loading capacity over 850 kg and having an engine capacity below 2 800 cm³ are subject to the SCT at a rate of 15% and SCT rates for others vary from 45% to 145% according to their engine capacity. Tax rates applied to electric cars vary from 3% to 15% according to electric engine capacity.</p> <p>For motor vehicles designed for transport of goods and placed under CN Code 87.04 and have a max. loaded weight not over 4 700 kg and have a seat other than the driver's seat or have side windows other than those besides the driver's seat, SCT rate is 10% for the ones with an engine capacity not over 3 000 cm³, 52% for those with an engine capacity over 3 000 cm³ but not over 4 000 cm³ and 75% for those with an engine capacity over 4 000 cm³. Tax rate for those provided with a covered body and have a max. loading capacity under 620 kg is 10%. For others 4%.</p> <p>The tax on motor cycles varies from 22% to 37% according to the cylinder capacity. Tax rates applied to electric motor cycles vary from 3% to 37% according to electric engine capacity.</p>	<p>Value</p> <p>Cylinder capacity</p> <p>Weight</p> <p>Customs category</p> <p>Electric propulsion</p>	<p>Rebate for disabled people: disabled people are exempt from the Special Consumption Tax.</p>
United Kingdom	<p>VAT: 20%.</p> <p>Vehicle First Registration Fee: a flat rate fee of GBP 55.0 is payable on the first registration or licensing of a motor vehicle in the United Kingdom.</p>	Value	<p>Rebate for disabled people: disabled people are exempt from the Vehicle First Registration Fee.</p> <p>Other exemptions:</p> <p>Vehicles previously registered in Northern Ireland.</p> <p>Vehicles registered for off road use.</p> <p>Crown Exempt Vehicles.</p>
United States	<p>A Gas guzzler tax is imposed on the manufacturer or importer of a vehicle whose combined city and highway fuel efficiency is less than 22.5 miles per gallon. The tax varies from USD 1 000 to USD 7 700 depending on the fuel efficiency.</p> <p>A tax of 12% of sales price is imposed on the first retail sale of a truck that is suitable for use on a highway and weights more than 33 000 pounds.</p> <p>A tax is imposed on the sale of tyres for highway vehicles. A tax is imposed on taxable tyres sold by the manufacturer, producer, or importer at the rate of 9.45 cents (4.725 cents in the case of a biasply tyre or super single tyre) for each 10 pounds of the maximum rated load capacity over 3 500 pounds. State and local governments impose a one-time sales tax and/or title fee.</p>	<p>Fuel efficiency</p> <p>Value</p> <p>Weight</p> <p>Tyres</p>	<p>The gas guzzler tax is widely applied and must be paid by vehicles sold to the federal government, state and local governments, and non-profit educational organisations.</p> <p>Vehicles used for police, other law enforcement purposes, or firefighting purposes or as ambulances are exempt. Limousines weighing more than 6 000 pounds or designed to carry more than 10 people are exempt.</p> <p>Tyres for use on local and school buses or for the exclusive use of the Department of Defence or the Coast Guard are exempt.</p>

- a) This table does not include customs duties; specific regimes for second-hand cars (e.g. margin scheme, old timers); diplomatic sales; export/import and transit schemes and insurance premium tax.
- b) Israel: The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Source: National Delegates – Position as at 1 January 2014.

Table 5.A5.2. Taxes on ownership or use of motor vehicles^a

	Taxes	Criteria	Rebates/Exemptions
Australia	The States and Territories levy fees for annual registration, third party compulsory insurance and drivers' licenses. Fees for commercial vehicles are generally higher than the fees for private vehicles. In most States, fees for trucks vary depending on the type of vehicle and the gross vehicle mass. Licence renewal fees vary to reflect validity periods from one to five years.	Commercial/private use Gross vehicle mass	
Austria	Motor vehicles above a permissible gross weight of 3.5 tonnes: Motor Vehicle Tax based on the weight of the vehicle (from EUR 1.55 to EUR 1.90 per month and ton, depending on the weight). Motor vehicles up to and including a maximum permissible gross weight of 3.5 tons: motor vehicle insurance tax based on engine power in kiloWatt (cars, EUR 0.55 per month and kW).	Weight Engine power Cubic capacity	Vehicles used by diplomatic missions and consular offices; armed forces; police; fire brigade; ambulances; mountain rescue; electrically propelled vehicles; self-propelled working machines; trial moving vehicles; taxi services; mopeds and motorcycles with a cylinder capacity of maximum 100 cc; vehicle used solely in agricultural production and forestry; vehicles used for disabled persons.
Belgium	Annual Road Tax: progressive rates apply from EUR 67.08 up to EUR 1 714.20, depending fiscal horsepower (CV). For vehicles above 20 CV (more than 4 l cylinder capacity) an additional amount of EUR 93.48 by CV is levied. Compensation Tax for vehicles fuelled with LPG or by other liquefied gaseous hydrocarbons is levied from EUR 89.16 up to EUR 208.20 according to CV with progressive scales. The "Eurovignette" is levied on vehicles or vehicle combinations used for the carriage of goods by road and having a maximum permissible load weight of not less than 12 tons. Rates depend on the number of axles and euro emission standards. It can be paid on a daily, weekly, monthly or annual basis. It ranges from EUR 8 per day to EUR 1 550 per year.	Engine power Cylinder capacity Fuel used Number of axles for lorries Polluting emissions (trucks)	Exemption for: cars used by public authorities, vehicles for disabled people and war invalids, agricultural vehicles, rescue vehicles, trial moving vehicles, ships and little boats, taxi services, mopeds and motorcycles with a cylinder capacity of maximum 250 cc. Rebates for the salaried transport of persons; vehicles used for road haulage in the ports. Concerning the Eurovignette, the exemptions are regulated by the European directive 1999/62/EC.
Canada	All provinces impose annual fees for the use of motor vehicles. In general, the fees depend on the type of vehicles and in most cases on the weight of the vehicle.	Type Weight	
Chile	Annual Motor Vehicle Tax (levied by municipalities) for the use of motor vehicles on public roads depending on the commercial value of the vehicle. Lightweight vehicles: depending on the commercial value of the vehicle. Passenger vehicles: fixed fee. Cargo vehicles: according to loading capacity.	Commercial value Fixed fee Loading capacity (trucks)	

Table 5.A5.2. **Taxes on ownership or use of motor vehicles^a** (cont.)

Taxes	Criteria	Rebates/Exemptions
<p>Czech Republic</p> <p>The road tax is imposed on all road motor vehicles and their trailers registered and operated in the Czech Republic if they are used for a business activity. Irrespective whether such vehicles are or are not used for business activities, the subject to the tax are also all vehicles with the maximum permitted weight above 3.5 tons, determined exclusively for transport of cargo and registered in the Czech Republic.</p> <p>The annual tax rate of passenger cars varies from CZK 1 200 to CZK 4 200, and in the case of other vehicles vary from CZK 1 800 to CZK 44 100.</p>	<p>Cylinder capacity</p> <p>Electric propulsion</p> <p>Type of fuel</p> <p>Total permitted weight on axles and number of axles</p> <p>Total weight</p>	<p>Tax Exemptions: motorcycles; vehicles used by diplomatic missions and consular offices; armed forces; civil defence; mobilisation reserve or emergency supply; police; fire protection; ambulances; mining and mountain rescue; gas emergency service and power engineering emergency service. Special road sweeping vehicles; special single-purpose vehicles (e.g. vehicles used in road marking) and vehicles belonging to road authorities or to persons authorised by road authorities exclusively used to maintain land communications, except for passenger cars, electrically propelled vehicles, hybrid driven vehicles, vehicles using as fuel either LPG or CNG or vehicles equipped with an engine determined by his producer for combustion of E85.</p> <p>Tax reduction (25% to 100%) for vehicle used in multimodal transport. The tax rate is reduced for the period of 108 months from the date of the first registration of vehicle (for the first 36 months by 48%, for the next 36 months by 40% and for the next 36 months by 25%.</p>
<p>Denmark</p> <p>Passenger cars semi-annual tax: the tax is based on fuel consumption, with different rates for petrol/diesel. Rates range from DKK 290 (> 20 km/l) up to DKK 10 080 (< 4.5 km/l) for petrol cars, and from DKK 120 (> 32.1 km/l) up to DKK 15 180 (< 5.1 km/l) for diesel cars.</p> <p>Lorries' annual tax: cars registered for the first time until 24 April 2007: the charge for private use is DKK 900 annually for cars with total permissible weight (tpw) up to 2 000 kg and DKK 5 510 annually for cars with tpw between 2 000 and 4 000 kg.</p> <p>Cars registered on 25 April 2007 or after: the charge for private use is DKK 5 510 annually for cars with total permissible weight (tpw) up to 3 000 kg and DKK 15 000 annually for cars with tpw between 3 000 and 4 000 kg.</p> <p>For cars used for both private and commercial purposes, the rates are 50%. Cars used exclusively for commercial purposes are free of charge.</p>	<p>Fuel efficiency</p> <p>Weight (for lorries)</p>	
<p>Estonia</p> <p>Heavy goods vehicle tax. Varies from EUR 0 to EUR 232.60 (per quarter) depending on the combination of following factors: weight range (12 tons to 40 and more tons), axle combination (2, 3, 4, 2 + 1, 2 + 2, 2 + 3, 3 + 2, 3 + 3), type of suspension (air, other).</p>	<p>Weight range</p> <p>Axle combination</p> <p>Type of suspension</p>	<p>Exemptions apply for Defence Force, Defence League, Enforcement Force and Rescue Service Heavy goods vehicles and Local Authority, NGO, Foundation and Business vehicles intended for rescue operations.</p>

Table 5.A5.2. **Taxes on ownership or use of motor vehicles^a** (cont.)

	Taxes	Criteria	Rebates/Exemptions
Finland	The annual tax for passenger cars and delivery vans is based on CO ₂ emissions. If the car does not have emission data in the Vehicular and Driver Data Register, the tax is based on the total mass of the vehicle. Tax rates vary from EUR 19.35 for vehicles emitting less than 67 g CO ₂ /km up to EUR 606.265 for vehicles emitting 400 g CO ₂ /km or more. For diesel passenger cars and vans, there is a tax on driving power based on total mass of the vehicle. This is applied on other cars and vans using less taxed fuels than petrol as well. For lorries, there is an annual tax based on maximum gross weight, number of axles and use of trailer.	CO ₂ emissions Weight Number of axles (lorries)	
France	Tax on business passenger cars: up to 7 HP: EUR 1 130; more than 7 HP: EUR 2 440.	Engine power Electric propulsion Type of fuel	Exemptions: Cars more than 10 years old. Cars used for public passenger transport, cars used for leasing or sale. Electrically or gas propelled cars (for mixed oil and gas propelled vehicles exemption is reduced by half). Vehicles that can use both petrol and GPL are exempt at rate of 50%.
Germany	For passenger cars being firstly registered since 1 July 2009, the Motor Vehicle Tax is based mainly on CO ₂ emissions. It consists of a base tax (according to cylinder capacity) and a CO ₂ tax. The rates of the base tax are EUR 2 per 100 cc (petrol) and EUR 9.50 per 100 cc (diesel) respectively. The CO ₂ tax is linear at EUR 2 per g CO ₂ /km. Cars being firstly registered before 1 July 2009 are taxed according to their polluting emissions (EURO-Norm) and cylinder capacity.	Polluting emissions Cylinder capacity CO ₂ emissions	Cars with CO ₂ emissions below 110 g/km are exempt from the CO ₂ -element. Only the base tax is due. Exemption for pure electric cars for ten years after the first registration, if the car is registered between 18 May 2011 and 31 December 2015.
Greece	Annual road tax on private passenger cars registered for the first time in Greece before 31.10.2010 (as well as those with international initial registration before 2002), and also motorcycles regardless of their date of registration: based on cylinder capacity from EUR 22 to EUR 1 320. Private passenger cars and taxis registered for the first time in Greece, after 1.11.2010: based on CO ₂ emissions from EUR 0 to EUR 3.40 per gram of CO ₂ . Annual road tax on trucks based on gross weight and on buses on the number of seats.	Cylinder capacity CO ₂ emissions Electric propulsion Gross weight (trucks) Number of seats (buses)	The main exemptions are: Cars used by public authorities, municipalities, ambulances, etc. Cars used by disabled persons and members of foreign diplomatic services. Electric cars. Hybrid cars, registered until 31.10.2010, with engine displacement under 1 929 cc. Private passenger cars, registered after 1.11.2011 with CO ₂ emissions under 100 g/km. Motorcycles up to 300 cc cylinder capacity used in order to replace old technology ones (replacement should take place up to 31.12.2009). For motorcycles with cylinder capacity over 300 cc used in order to replace old technology motorcycles exemption applies for 5 years only following the date of first registration of the new motorcycle. Cars and motorcycles, registered with a valid permission of circulation, may be imported for a limited period up to six months per year, by the customs procedure of temporary importation.

Table 5.A5.2. **Taxes on ownership or use of motor vehicles^a** (cont.)

Taxes	Criteria	Rebates/Exemptions
Hungary	Motor vehicle tax levied according to capacity of engine (in kW) of passenger cars and motorcycles. The tax base for busses, semi-trailers and caravans is the unladen weight of the vehicle. For lorries, the tax is based on net weight plus 50% of cargo weight. The tax rate for passenger cars and motorcycles is from HUF 140/kW to HUF 345/kW, depending on the age of the vehicle (the older the vehicle, the less is due). For lorries, busses, semi-trailers: the tax rate is HUF 850/100 kg of the tax base, if the vehicle is equipped with road-saving axles. The tax rate for other lorries, trailers is HUF 1 380/100 kg.	<p>Engine capacity Weight (for lorries) Type of axles (for high-duty vehicles) Electric propulsion</p> <p>Exemption for vehicles: – Owned by budgetary agencies, religious organisations. – Owned by social organisations, foundations if this organisations do not have to pay tax on profit. – Used for public transport or fire service. – Owned by a person who is seriously handicapped, or used for transporting seriously handicapped person under age 18, or used for transporting seriously handicapped person who is under guardianship because of his/her legal incapacity. – Passenger cars equipped with electric engine.</p>
Iceland	<p>A disposal charge of ISK 350 is levied on each vehicle for each six-month period. This charge is payable for fifteen years from the date of the first registration of the vehicle in Iceland, except when the vehicle is already 25 years old at the beginning of the payment year. The charge is an environmental tax that is intended to finance the disposal of the vehicle at the end of its useful life. Once the vehicle is delivered for scrap, a ISK 20 000 refund will be paid to the owner. Motor vehicles fuelled with diesel in excess of 10 tons are subject to a special weight/distance tax, calculated on the basis of the weight of the vehicle and the number of kilometers driven. Owners of diesel vehicles that weigh less than 10 tons do not pay a weight/distance tax.</p> <p>A semi-annual road tax on passenger cars is levied based on the vehicle's carbon dioxide emissions declared by the car manufacturer for combination of city and road driving. Where emission data are not available, the tax rate is based on the weight of the vehicle. The semi-annual road tax is ISK 130 for each gram of carbon dioxide emission for emission above 121 grams, in addition to the minimum fee which is ISK 5 415.</p>	<p>Weight Distance CO₂ emissions</p>
Ireland	<p>Road Tax on private cars based on CO₂ emissions. Rates vary from EUR 120 (for 0 g CO₂/km) to EUR 2 350 (above 225 g CO₂/km).</p> <p>Tax on commercial vehicles based on net weight: from EUR 333 (< 3 000 kg) up to EUR 5 195 (> 20 000 kg).</p>	<p>CO₂ emissions Weight (commercial vehicles) Electric propulsion</p> <p>Electrically propelled vehicles: EUR 120 flat rate – private; and EUR 92 flat rate – commercial not over 1 500 kg.</p>
Israel ^b	<p>Annual licensing fees: private and commercial vehicles weighing up to 3 500 kg total: the vehicles are sorted into seven groups (generally the price). The annual licensing fees are reliant upon the year of vehicle production, and the group the vehicle belongs to. The annual licensing fees range between NIS 687 to NIS 4 341. Commercial vehicles above 3 500 kg, motorised by diesel, have a different tariff.</p>	<p>Price Age Category</p> <p>Vehicles for disabled person, diplomats, United Nations Organisations, specific charity institutions.</p>

Table 5.A5.2. **Taxes on ownership or use of motor vehicles^a** (cont.)

	Taxes	Criteria	Rebates/Exemptions
Italy	Annual Ownership Tax: from EUR 2.58 per kW to EUR 4.95 per kW, according to engine cylinder capacity and polluting emissions. Regions are entitled to vary the national rate. A surtax on use of cars and vehicles intended for the transport of persons or goods applies at a rate of EUR 20.00 for each kW exceeding 185 kW in engine power. Such surtax is reduced after five, ten or fifteen years from the construction of the vehicle by 40%, 70% and 85%, respectively.	Engine power Polluting emissions Electric propulsion	Exemption for historical vehicles over 30 years old; vehicles over 20 years old are exempt only if recognised as being of special historical or collectors' interest; flat rate road tax on vehicles over 30 or 20 years old if still running on public roads. An exemption of 100% from ownership tax is allowed for electric, LPG and CNG vehicles in the first 5 years (from the first registration) and an exemption of 75% afterwards in many regions. 100% exemption also applies to vehicles for disabled persons.
Japan	Motor Vehicle Tonnage Tax (National) (N.B. *Commercial vehicles): levied according to weight, the tax rate are for passenger vehicles from JPY 4 100 per 0.5 ton up to JPY 6 300 per 0.5 ton (from JPY 2 600 up to JPY 2 800); for lorries from JPY 3 300 per 0.5 ton up to JPY 6 300 per 0.5 ton (from JPY 2 600 up to JPY 2 800). Automobile Tax (Prefecture): levied according to cylinder capacity for passenger vehicle from JPY 29 500 up to JPY 111 000 (from JPY 7 500 up to JPY 40 700). Lorries: (e.g. 4-5 tons maximum load) JPY 25 500 (JPY 18 500). Buses: (e.g. 41-50 passengers capacity) JPY 49 000 (JPY 17 500). Light Vehicle Tax (Local): levied on light vehicles and motorcycles according to cylinder capacity and standards.	Cylinder capacity Weight (commercial vehicles) Fuel efficiency	Special measures of reduced Motor Vehicle Tonnage Tax: Vehicles with low impact on the environment, barrier-free buses and taxis, trucks with collision damage alleviation brake control device, etc. Special measures of refunded Motor Vehicle Tonnage Tax: Used vehicles properly scrapped before the expiry date of valid period of inspection certificate.
Korea	Automobile Tax: rates are applicable according to cylinder capacity from KRW 80 per cc up to KRW 200 per cc for non-commercial vehicles; and from KRW 18 per cc to KRW 24 per cc for commercial vehicles.	Cylinder capacity	Full exemption for disabled persons.
Luxembourg	Automobile Tax: the annual circulation tax is based on CO ₂ emissions. Tax rates are calculated by multiplying the CO ₂ 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 CO ₂ /km).	CO ₂ emissions Electric propulsion	Exemptions: vehicles for disabled people; historical vehicles; cars used by public authorities; electrically propelled cars.
Mexico	Starting 2012, the tax on ownership was eliminated as a Federal Tax. State governments may impose a tax on ownership and/or periodic registration. Registration fee is near to MXN 400 in most states and Tax on ownership usually goes from 3% to 19% based on value, type of vehicle and number of passengers.	Value Type of vehicle Number of passengers Electric propulsion	Some states exempt hybrid and electric vehicles used for public passenger transport. Some states provide a subsidy of 100% for vehicles any value.

Table 5.A5.2. **Taxes on ownership or use of motor vehicles^a** (cont.)

	Taxes	Criteria	Rebates/Exemptions
Netherlands	Motor vehicle tax is based on the dead-weight, the type fuel used, the region (province). Tax on heavy vehicles (also known as "Eurovignette") is levied on vehicles (lorries) with a gross weight of 12 tons or more for the use of motor ways in the Netherlands. Tax also varies according to Euro norms (diesel category).	<p>For motor vehicle tax:</p> Fuel used Weight Region (province) CO ₂ emissions	<p>For low-emission vehicles (CO₂ is not exceeding a level of 50 g/km) temporary exemption (until 2016).</p> <p>Other examples of exemptions are:</p> (Animal) ambulances; vehicles used by fire brigades; vehicles used by the police/defence; funerary vehicles; vehicles used to clean, maintain or construct roads; taxis and vehicles older than 40 years. Other special regimes apply, such as reduced tax rate for delivery vans owned by entrepreneurs and used for business purposes for at least 10% and for vans equipped for and used by disabled persons.
New Zealand	Annual licensing fees: vary depending on the type of vehicle. The licensing fee for private passenger, petrol driven cars is NZD 280.55.	Vehicle type	
Norway	Annual tax: NOK 3 490 for diesel cars without factory-fitted particle filter and NOK 2 995 for other cars; NOK 1 835 for motorbikes; NOK 1 120 for caravans and NOK 425 for moped, tractors, electric vehicles, etc.	Vehicle type Electric propulsion Particle filter	
Poland	Annual Motor Vehicles Tax levied at municipal level on heavy goods vehicles of maximum permissible gross laden weight over 3.5 tons, road and ballast tractors, trailers and semi-trailers and buses.	Weight Type of vehicle Number of passengers for busses	Vehicles under possession of diplomatic representations, consular offices and other foreign missions. Transport vehicles constituting mobilisation supply. Special vehicles and vehicles used for special purposes. Historic vehicles.
Portugal	Annual State and municipal tax due by the ownership of the vehicle, it was reformed on 1 July 2007 for passengers vehicles and mixed use cars with gross weight not exceeding 2 500 kg, if registered after the reform, tax rate is based on motor capacity and CO ₂ emissions and for vehicles registered since 1981 up to the reform rates vary depending on motor capacity or voltage, date of registration and fuel type. Vehicle excise duty on lorries above 2.5 tons used in public and private transport of merchandise.	Motor capacity CO ₂ emissions Electric propulsion Weight Number of axels Vehicle type and fuel	Vehicles owned by the State (central, regional or local administration), fire brigades, foreign States, diplomatic and consular missions, international organisations, specialised European agencies and disabled persons. Are also exempt ambulances, passengers vehicles destined to rental or taxi services, tractors, funerary vehicles, non-motorised vehicles that are purely electric or moved by renewable energies.
Slovak Republic	Motor Vehicle Tax – a kind of local tax (levied by higher territorial units) is imposed only on vehicles used for business purposes. Rates vary depending on type, weight, cylinder capacity and number of axles (for utility vehicles and buses) of the vehicle. Rates differ between higher territorial units.	Usage Vehicle type (passenger cars) Weight cylinder capacity (utility vehicles and buses) Number of axles Polluting emissions	1. The vehicles exempt from the motor vehicle tax are the following: a) vehicles the documents of which name as the vehicle holder the higher territorial unit to the budget of which the motor vehicle tax is transferred; b) vehicles of diplomatic missions and consular corps, provided that reciprocity is guaranteed. 2. By a generally binding regulation based on the local conditions, a higher territorial unit may reduce tax on a vehicle used: a) as a vehicle of ambulance, mining rescue service, mountain rescue service, air rescue service and fire brigade service; b) as a vehicle of a regular bus service to the extent the service is provided in public interest; c) as a vehicle used solely in agricultural production and forestry; d) for business purposes, if the vehicle meets the polluting emissions limits of EURO 3, EURO 4, EURO 5, EURO 6 and EEV.

Table 5.A5.2. **Taxes on ownership or use of motor vehicles^a** (cont.)

	Taxes	Criteria	Rebates/Exemptions
Slovenia	Circulation tax (levied on an annual basis) – an annual fee for the use of road transport vehicles is paid once a year for the use of motor vehicles and trailers in Slovenia by vehicle owners. The fee is paid at the time of renewal of registration certificate. By paying an annual duty, a person acquires the right to use a registered vehicle in road traffic for the next 12 months. The amount of tax depends on the category of the vehicle and is proportionate to the duration of the registration period in a certain year.	Cylinder capacity Engine power Weight Polluting emissions Electric propulsion Type of suspension Number of seats	Tax exemptions: Vehicles exclusively using electricity for power, tractors and tractor trailers, motorcycles, three-wheeled cycles with engine capacity up to 50 cc and light four-wheeled cycles, light trailers with maximum permissible weight up to 750 kg, motor vehicles registered to the Slovenian Army, Civil Protection, Mountain Rescue Service, Ecological Laboratory with mobile unit, police and fire-fighting vehicles, ambulances, motor vehicles and trailers registered for diplomatic and consular missions, vehicles owned by certain international organisations, and vehicles used for the transport of disabled persons. Tax reduction for low polluting trucks: Trucks of category N1: tax reduction for EURO 5 (-25%) and EURO 6 and higher (-35%) and tax increase for EURO 3 (+10%), EURO 2 (+20%), EURO 1 (+30%) and EURO 0 or lower (+40%). Trucks of category N2, N3 and buses (M2, M3): tax reduction for EURO 5 (-25%) and EURO 6 and higher (-35%) and tax increase for EURO 3 (+10%) EURO 2 (+20%), EURO 1 (+30%) and EURO 0 or lower (+40%). Tax reduction for buses and trucks with air suspension (-15%). Tax reduction for old-timers (-80%) and vehicles acquired for transport of families with four or more children (-50%).
Spain	Motor Vehicle Tax (levied by municipalities) based on engine power for passenger cars, passenger capacity for buses, loading capacity for trucks and cylinder volume for motorcycles.	Vehicle type Engine power Cylinder capacity	Tax exemptions: Official vehicles belonging to public bodies of diplomatic offices, ambulances, vehicles adapted to disabled people, public transport vehicles over nine seats, tractors and other vehicles of agricultural use; historic vehicles.
Sweden	The annual circulation tax for cars from 2006 and later or, older cars that meet at least EUR 4 exhaust emission standards, is based on CO ₂ emissions. Also campers, light goods vehicles and light buses that are taken in to use in 2011 or later are taxed based on the CO ₂ emissions. The tax consists of a basic rate of SEK 360 plus SEK 20 for each gram CO ₂ the vehicle emits above 117 g/km. If the vehicle can be driven with diesel fuel, this sum is multiplied by 2.33. For vehicles that can be driven with alternative fuels, the tax is SEK 360 plus SEK 10 for each gram CO ₂ the vehicle emits above 117 g/km.	Weight CO ₂ emissions Type of fuel Electric propulsion	An exemption from annual circulation tax applies to green cars during the first five years. The exemption applies to cars, campers, light goods vehicles and light buses with low emissions of CO ₂ in proportion to the vehicles weight. The vehicles emissions of CO ₂ shall not exceed a calculated value: $[95 + 0,0457 \times (\text{the vehicles weight in kg} - 1\,372)]$. For alternative fuel vehicles, the value is calculated: $[150 + 0,0457 \times (\text{the vehicles weight in kg} - 1\,372)]$. Electric cars shall not consume more electricity than 37 kWh/100 km.

Table 5.A5.2. **Taxes on ownership or use of motor vehicles^a** (cont.)

Taxes	Criteria	Rebates/Exemptions
<p>Switzerland</p>	<p>Cantonal (provincial) level: the annual motor vehicle tax depends on the weight or engine volume of the vehicle.</p> <p>Federal level: Use of Swiss motorways (first and second-class motorways) has been generally subject to tax. The tax is levied in the form of the motorway tax sticker, which costs CHF 40. The obligation to display a motorway tax sticker generally applies to motor vehicles and trailers with a total weight of up to 3.5 tons each. This group comprises primarily passenger vehicles, motorbikes, vans, trailers, etc. Motor vehicles and trailers with a total weight exceeding 3.5 tons (so-called heavy vehicles) require a motorway tax sticker if they are not subject to the heavy vehicle charge. These include, for example, heavy utility vehicles (e.g. crane lorries).</p> <p>The performance-related heavy vehicle charge (LSVA) depends on the total weight, polluting emissions and kilometres driven in Switzerland. It is levied on all motor vehicles and trailers that have a total permissible laden weight of more than 3.5 tons, are used to transport goods, are registered in Switzerland or abroad and are driven on the Swiss public road network.</p> <p>The lump-sum heavy vehicle charge (PSVA) is levied in the form of a lump sum on heavy motor vehicles for the following vehicle types that are driven on the Swiss public road network: heavy passenger vehicles, heavy campervans, motor-homes and caravans, vehicles used for transporting passengers (coaches, buses), tractors and motor carriages, motor vehicles for fun fairs and circuses. Other motor vehicles for the carriage of goods and with a maximum speed of 45 km/h.</p>	<p>Weight Engine volume Kilometres driven Polluting emissions Electric propulsion</p> <p>A reduced rate of the motor vehicle tax usually applies to electric and agricultural vehicles.</p>
<p>Turkey</p>	<p>Motor Vehicle Tax levied on all motor vehicles – based on weight, type and cylinder capacity. Paid twice annually by registered owner.</p>	<p>Weight Vehicle type Cylinder capacity</p>
<p>United Kingdom</p>	<p>VED on lorries is set according to the number of axles, weight and type of vehicle.</p> <p>Cars that are presented for registration in the UK on or after 1 March 2001, on the basis of a type approval certificate specifying a carbon dioxide (CO₂) emission figure, attract a rate of Vehicle Excise Duty (VED) according to the amount of CO₂ emitted and the type of fuel used. These cars fall within a 13-banded graduated VED system. The bands are labelled A-M, with band A containing the least polluting vehicles and band M comprising of vehicles that have high CO₂ emissions. Full details can be found at www.direct.gov.uk/Motoring.</p> <p>For private cars which do not fall into the above graduated VED system there is a two-tier threshold: vehicles not over 1 549 cc pay an annual rate of duty of GBP 230, and those over 1 549 cc pay a rate of duty of GBP 15.</p>	<p>Vehicle type CO₂ emissions Type of fuel Electric propulsion</p> <p>Tax exemption applies to vehicles for disabled people, historic vehicles constructed before 1.1.1973, limited use vehicles, agricultural machines, mowing machines, steam powered vehicles, electrically propelled vehicles, and electrically assisted pedal cycles. Vehicles belonging to public bodies such as ambulances, fire engine, police cars, etc.</p>

Table 5.A5.2. **Taxes on ownership or use of motor vehicles^a** (cont.)

Taxes	Criteria	Rebates/Exemptions
United States	Weight (for trucks)	
<p>A tax is imposed on the use of trucks weighing 55 000 pounds or above. For those trucks (except logging trucks) weighing no more than 75 000 pounds, the tax is USD 100 per year plus USD 22 for each 1 000 pounds in excess of 55 000 pounds. For those trucks weighing more than 75 000 pounds, the tax is USD 550. For logging trucks, the tax is USD 75 per year for trucks weighing at least 55 000 pounds plus USD 16.50 per 1 000 pounds in excess of 55 000 pounds. For logging trucks weighing more than 75 000 pounds, the tax is USD 412.50. A credit may be claimed for the tax in the following year if the vehicle was driven 5 000 miles or less (7 500 miles or less for agricultural vehicles.) A tax of 12% of the sales price is imposed on the first retail sale of a truck that is suitable for use on a highway and weighs more than 33 000 pounds.</p> <p>State and local governments may impose a periodic registration, operators' license, parking and inspection fees as well as property taxes.</p>		

a) Excluding insurance premium tax.

b) Israel: The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Source: National Delegates – Position as at 1 January 2014.



From:
Consumption Tax Trends 2014
VAT/GST and excise rates, trends and policy issues

Access the complete publication at:
<https://doi.org/10.1787/ctt-2014-en>

Please cite this chapter as:

OECD (2014), "Taxing vehicles", in *Consumption Tax Trends 2014: VAT/GST and excise rates, trends and policy issues*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/ctt-2014-7-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.