

Car taxes in the Netherlands



Monique Verhoef
Public Affairs



Jonathan Weegink
Public Affairs

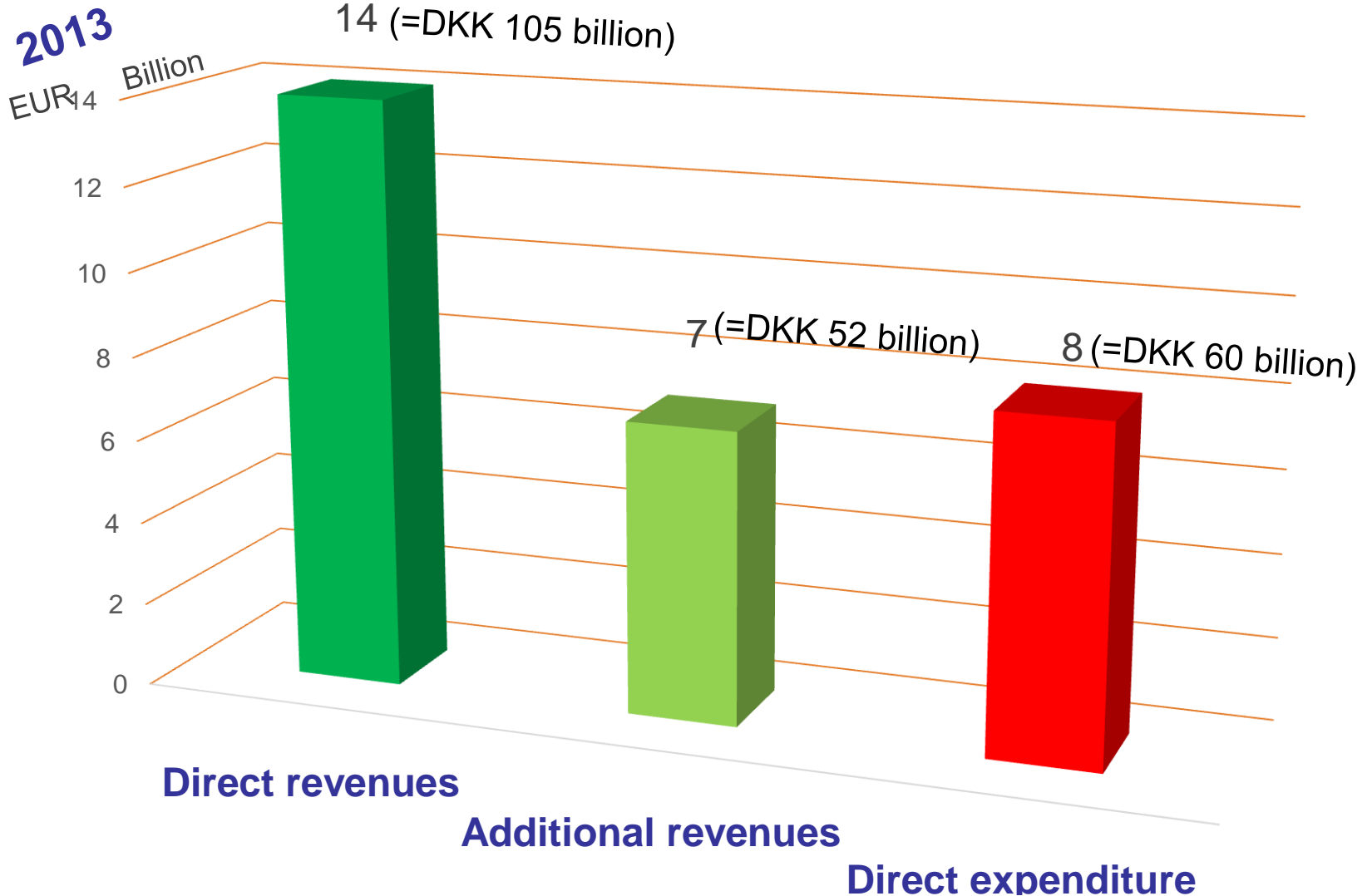




Structure of this presentation:

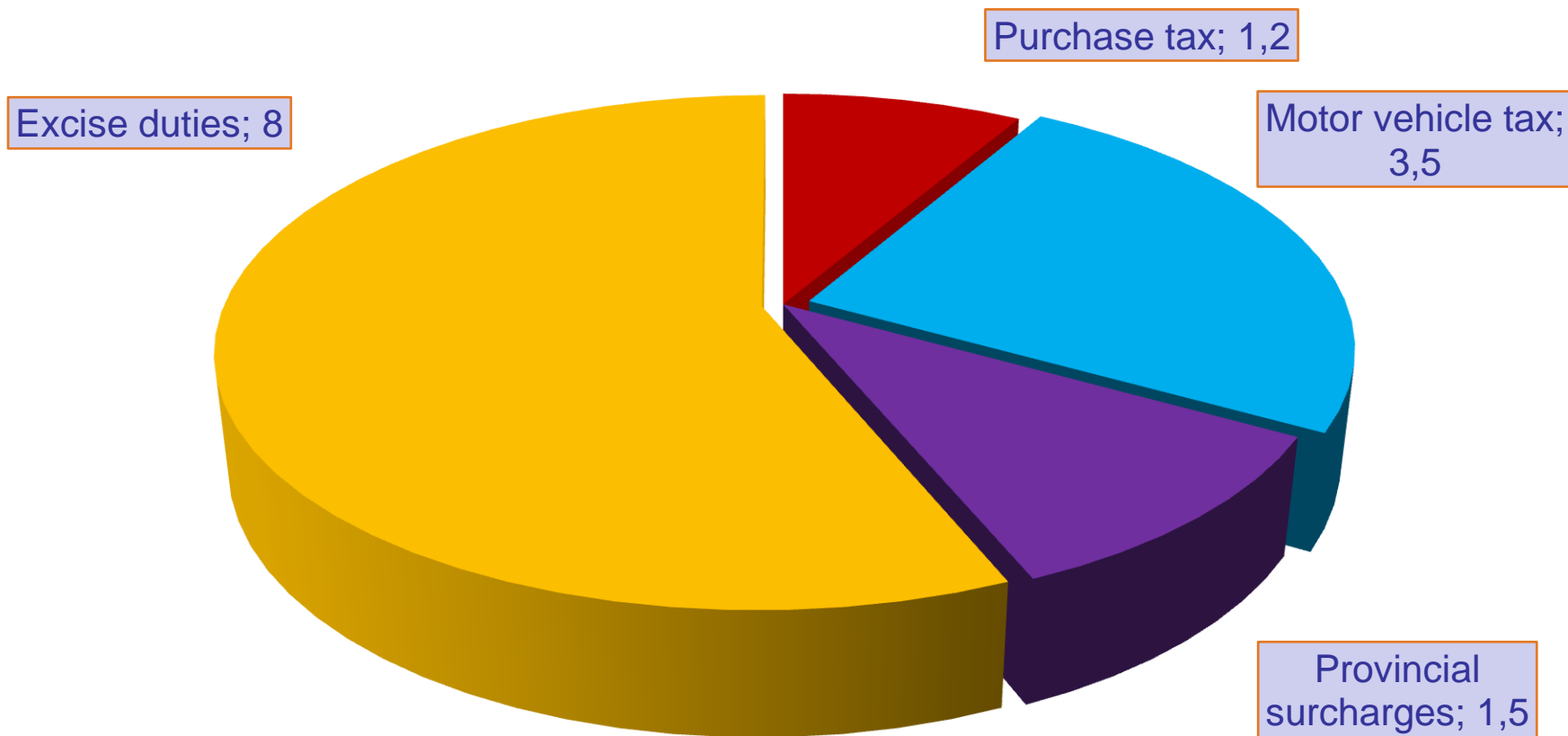
- Facts & figures
- Political context in the Netherlands
- ANWB serving its members' interests

What comes in & what goes out?



Car taxes

Direct taxes: EUR 14 billion (DKK 105 billion)



■ Purchase tax
■ Provincial surcharges

■ Motor vehicle tax
■ Excise duties

Car taxes

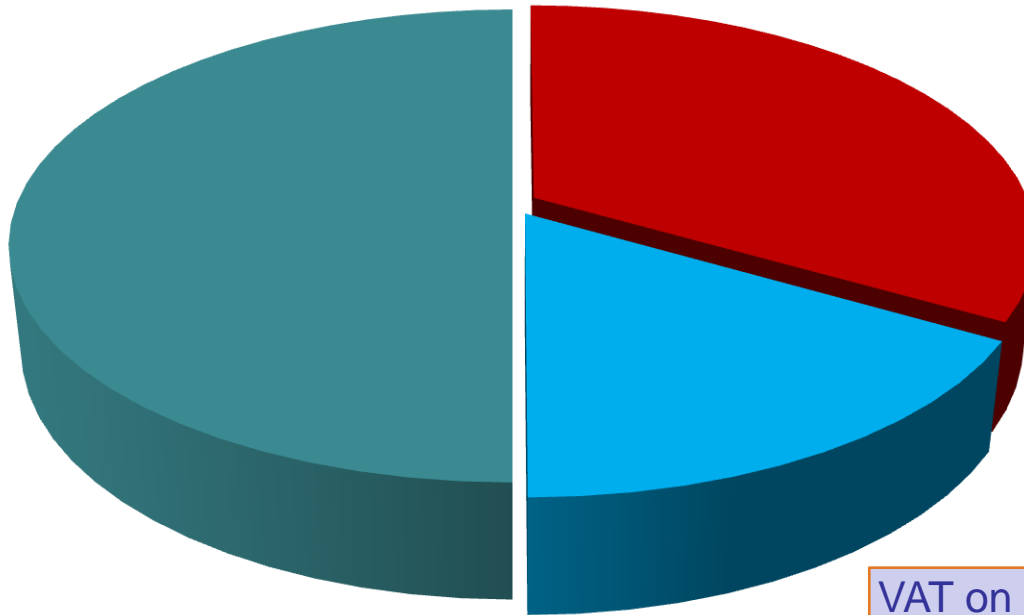


**Additional taxes: EUR 7 billion, including
(=DKK 52 billion)**



VAT on other
elements; 3

Personal income
tax on business
cars; 2



VAT on excise
duty; 1

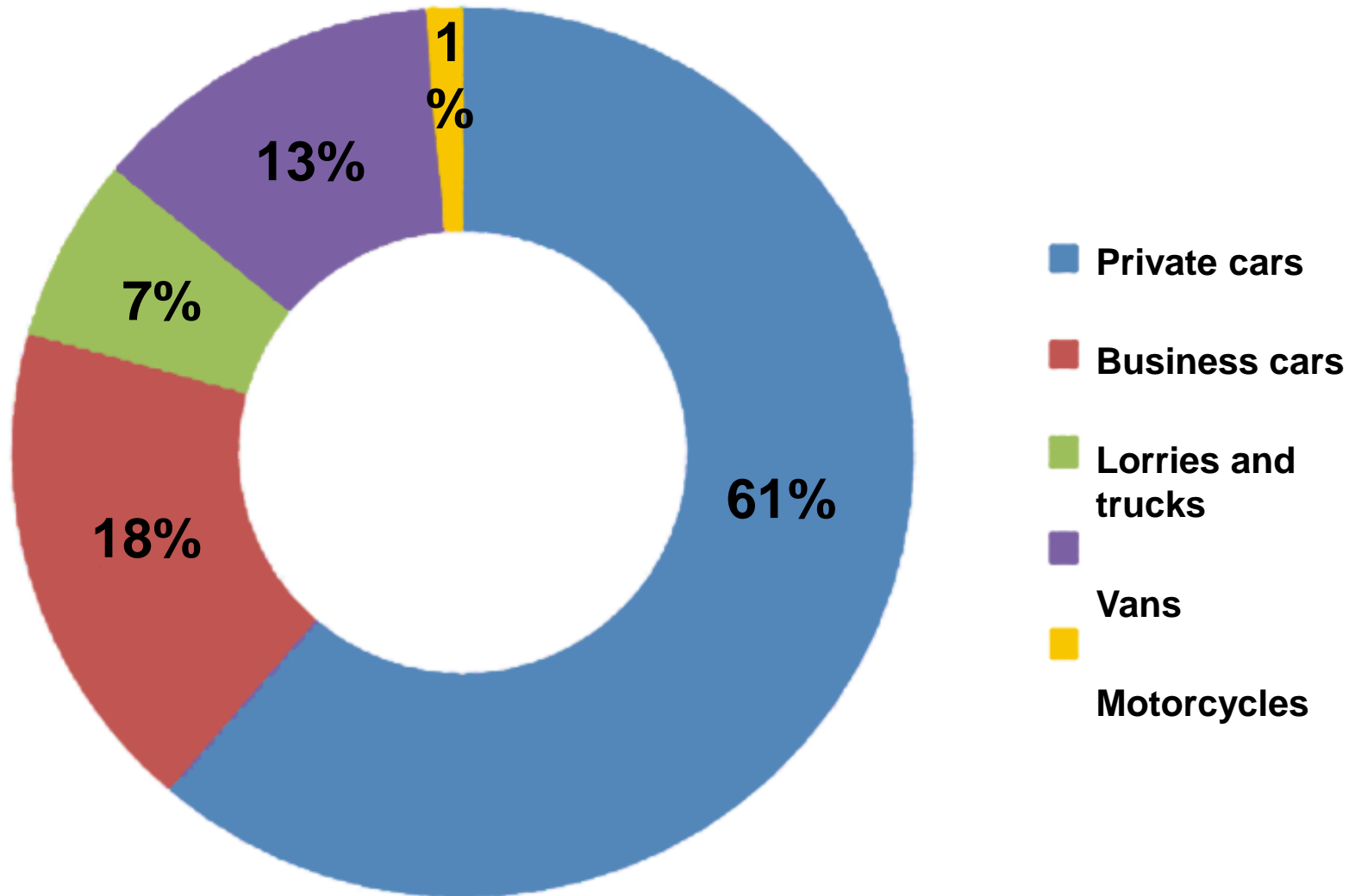


Expenditure

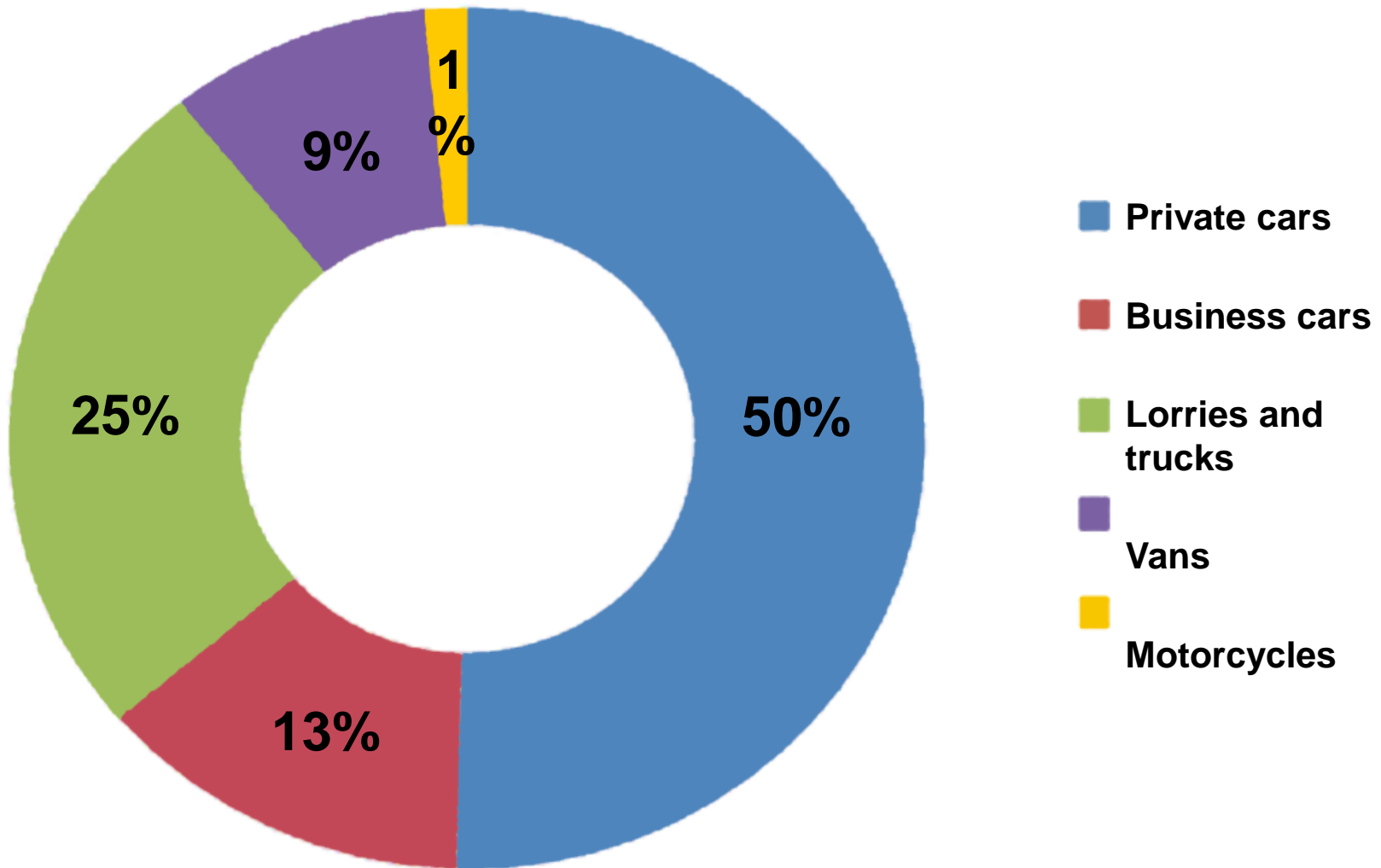
EUR 8 billion (DKK 60 billion), **including:**

- Road constr./maintenance, state **2.8 billion**
- Road constr./maintenance, municipal auth. **2.5 billion**
- Road constr./maintenance, provincial auth. **1.2 billion**
- Civil service **900 million**
- Traffic measures and enforcement **500 million**
- Environment **100 million**
- Road safety **40 million**

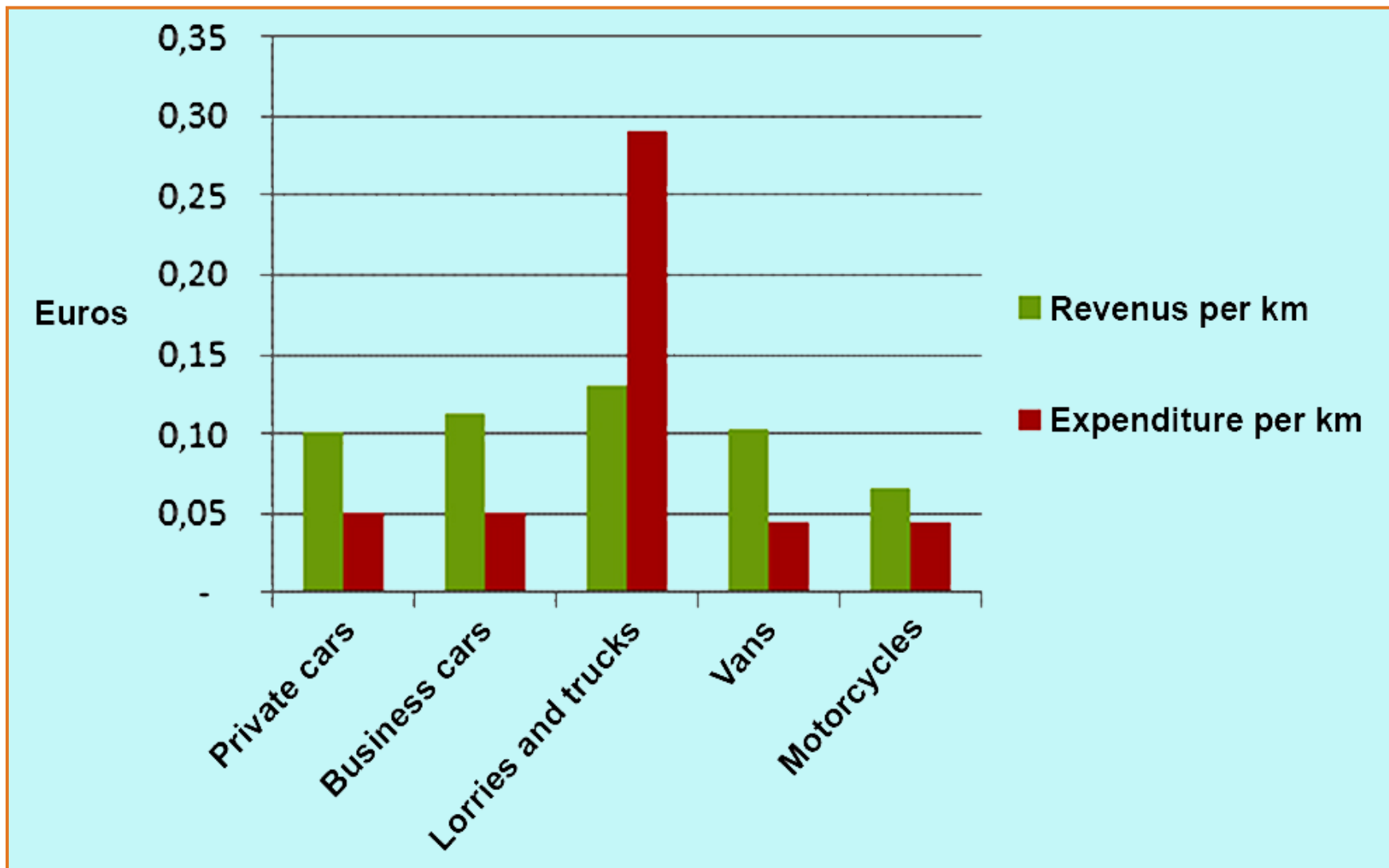
Who pays how much?



Who costs how much?



Revenues & expenditure per km



Tax burden on private cars

Petrol-driven car

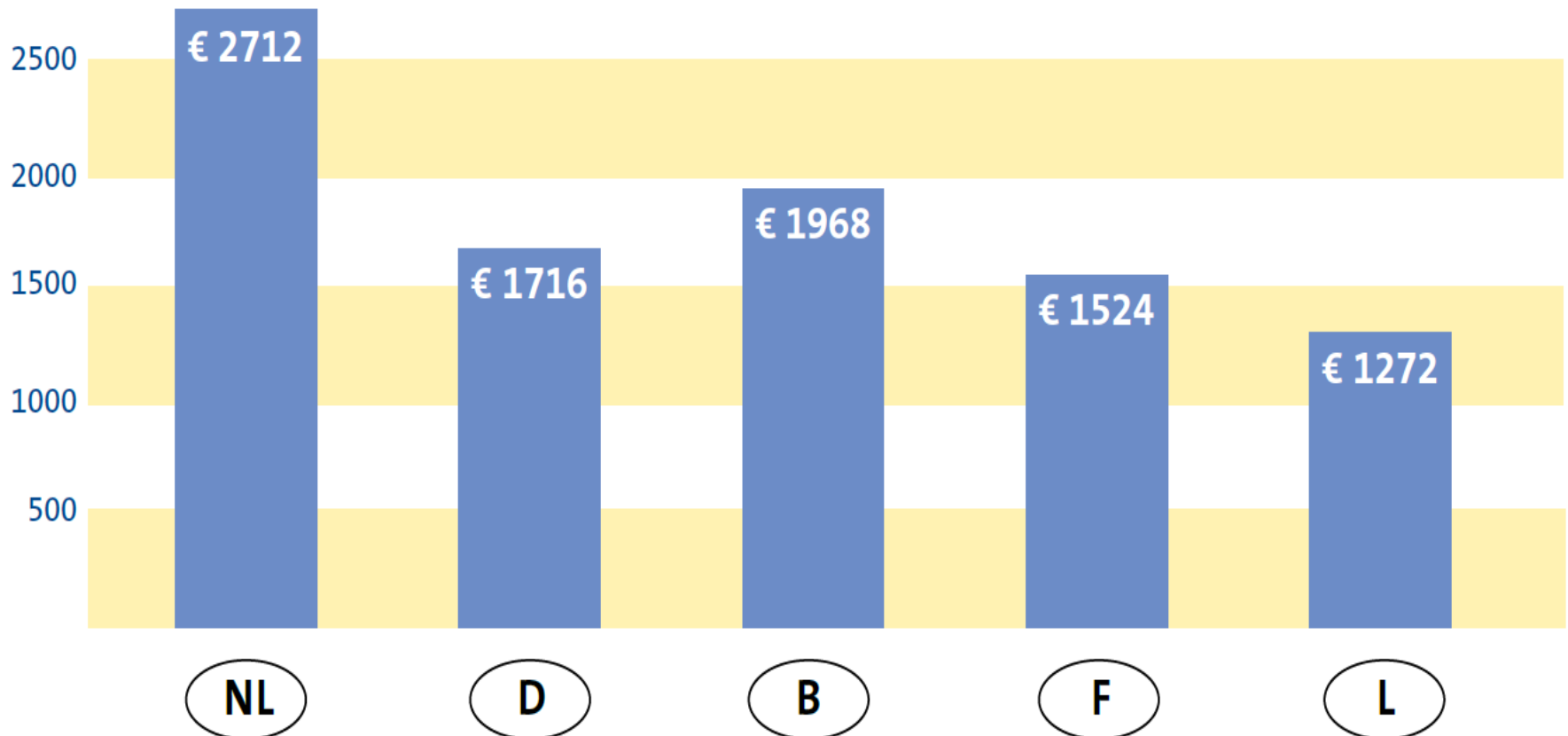


Diesel-driven car



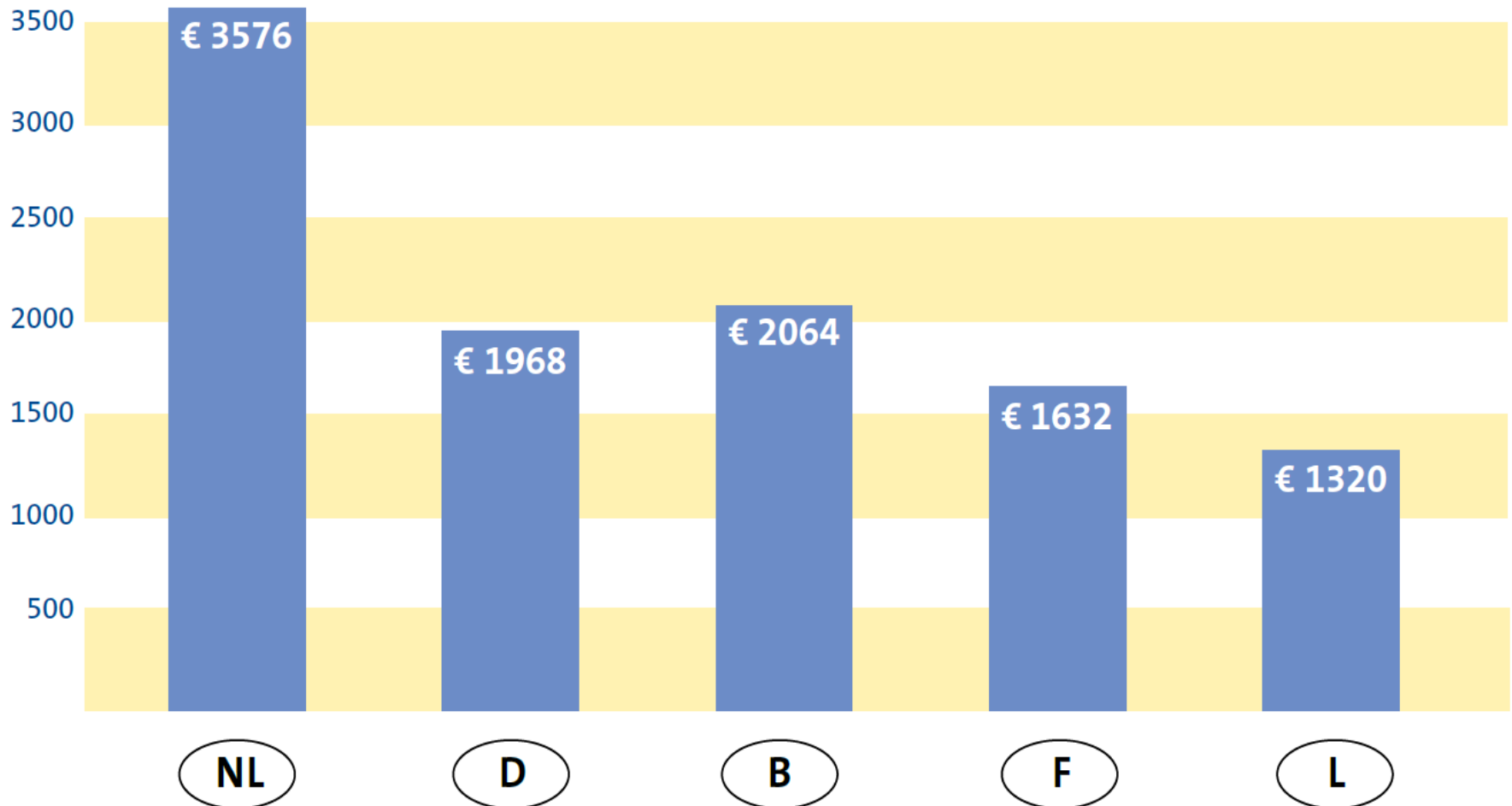
What do the neighbours do?

Annual tax on *petrol-driven ca*



What do the neighbours do?

Annual tax on *diesel-driven* cars



Denmark versus the Netherlands



| | Denmark | Netherlands |
|---|--|---|
| Purchase tax | 105% or DKK 15,500 + 180% on the remainder € 30.180,00 | Carbon emissions € 19.900,00 |
| Tax on ownership of private car | Fuel consumption, weight € 389,00 | Weight, type of fuel used, region (province) € 2.280,00 |
| Excise duty, unleaded petrol | 59.3 eurocents/litre | 74.7 eurocents/litre |
| Totale price petrol (20.000 km a year) | € 10.712,50 | € 11.168,75 |
| Totale | € 41.281,50 | € 33.348,75 |

Political context

- Annual changes over the past five years as part of ‘tax greening’ → our members find it hard to make the right choices
- Major system changes lead to fierce political debate (road pricing, abolishing commuting allowance)
- Result: status quo/no major system changes
- Present Cabinet’s policy: no road pricing



Political context

- Minor increases in tax burden go unnoticed (no opposition to raise in excise duty on diesel)
- All 'minor' increases add up to almost 900 million euros in additional revenues from 2014 onwards (6.7 billion Danish crowns)
- Expenditure for road traffic will go down by 400 million euros from 2014 onwards (3 billion Danish crowns)
- New policies for the 2016 – 2020 period adopted in 2014





How do our members feel?

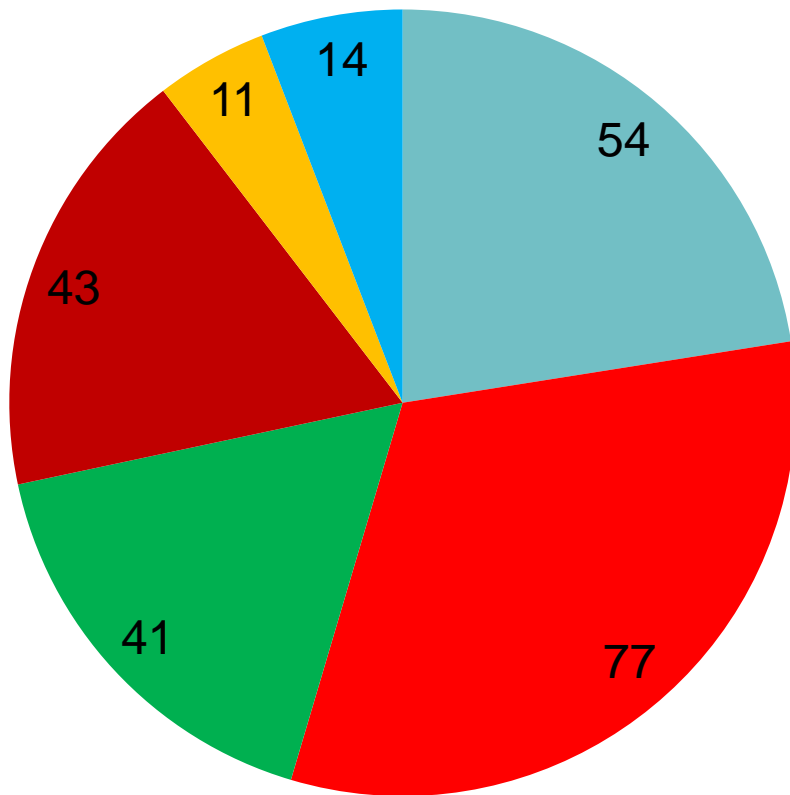


- Many are unaware
- Dissatisfaction about accumulation of taxes, criticism about government spending
- Sense of being powerless
- Hard to make the right decisions because things change each year
- ANWB's role: watching out for tax hikes
- Need for fairness, justice and equality

• **68%** favour paying for car use



Members' views on car taxes, 2011 - 2013



- Opposed to high fuel prices
- Opposed to higher car taxes
- In favour of fair car tax system
- Opposed to abolishing discount schemes
- Closer attention to environmentally friendly fuels
- In favour of separate taxes

What does ANWB want?

“ANWB wants car taxes to be **fair, affordable** and **future proof**”



But how?

Fair taxes:

- Balanced revenues and expenditure (purpose-driven tax)
- Each motor vehicle pays on a pro rata basis

Affordable taxes:

- Perspective of behaviour: taxing use rather than purchase and ownership
- Lowering tax burden on passenger cars

But how?

Future proof taxes:

- Contributing to fuel-efficient, clean and safe car driving
- 'Europe proof'
- Consistent and predictable



Any questions?



