WRITTEN QUESTION E-3087/00
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to the Commission

Subject: Tax on persons and motor vehicles in the Netherlands

The Netherlands is one of the few countries in the European Union which levy 'tax on persons and motor vehicles' (BPM) or a similar tax related to the purchase value upon acquisition and/or import of cars. We realise that taxation policy is still the exclusive preserve of national governments and that the Member States are not yet inclined to surrender this privilege to 'Europe'. On the other hand, however, we must ensure that our taxation policies do not run counter to European rules. Rules on the internal market create obligations with regard to freedom of movement. The fact that the Netherlands, unlike most other European countries, levies BPM is naturally a barrier which could impede the free movement of goods.

1. In mid-1999, the Netherlands Ministry of Finance asked the Commission whether it was permissible for BPM depreciation calculations to be made on a monthly rather than a yearly basis. No reply has so far been received. Does the Commission intend to reply? If not, why not, and if so, when?

2. When cars are imported into the Netherlands, BPM is levied on their value, or residual value. The new method of calculating depreciation particularly encourages imports of relatively new secondhand cars, but as no BPM is refunded upon export, life is difficult for the export trade. Does the Commission consider that BPM ought to be refunded when vehicles are exported in order to remove this obstacle to the internal market?

3. The crisis associated with the current high oil prices in Europe perhaps makes this an appropriate time at which to examine the permissibility or lawfulness of BPM in relation to obligations arising from internal market legislation. BPM is a type of tax which, as noted above, does not exist in most other EU Member States. By means of high rates of excise on fuel, the government already taxes motorists excessively. As cars are far from being luxury goods nowadays but have become essential to economic activity in every Member State, the combined heavy burden of BPM and excise may no longer be justified.

   Does the levying of BPM in the Netherlands impede the operation of the internal market by creating unacceptable barriers to the free movement of goods? If not, why not, and if so, what will the Commission do to eliminate this distortion of internal-market principles as soon as possible?