

# EUROPEAN PARLIAMENT

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*Committee on the Environment, Public Health and Food Safety*

2.2.2006

PE 367.918v01-00

## **AMENDMENTS 23-35**

**Draft opinion**

**(PE 362.840v01-00)**

**Claude Turmes**

Proposal for a Council Directive on passenger car related taxes

Proposal for a directive (COM(2005)0261 – C6-0272/2005 – 2005/0130(CNS))

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### **Proposal for a directive**

Amendment by Johannes Blokland

Amendment 23

Paragraph 1

#### **1. *Rejects the Commission proposal.***

Or. nl

#### *Justification*

*The Commission proposal lies outside the scope of Article 93 of the Treaty. Registration tax and road tax are not included in harmonised taxation. The proposed legal basis therefore fails to provide any basis for the Commission proposal.*

*Furthermore, the continued existence of registration tax is, in principle, compatible with a properly functioning internal market. All that is required is to introduce a more effective system of refunds in the event of export. Completely abolishing registration tax is therefore a disproportionate measure in this instance.*

*As the proposal violates the principles of both subsidiarity and proportionality, it should be rejected.*

## Amendment by Anja Weisgerber

## Amendment 24

## Recital 3

(3) Member States should be encouraged to apply coordinated fiscal incentive for passenger cars that fulfil stricter emission limits than those which became mandatory under Directive 98/69/EC (Euro 4), relating to measures to be taken against air pollution by emissions from motor vehicles and amending Council Directive 70/220/EEC, to expedite the placing on the market of passenger cars which satisfy future requirements to be adopted at Community level (Euro 5).

(3) Member States should be encouraged to apply coordinated fiscal incentive for passenger cars that fulfil stricter emission limits than those which became mandatory under Directive 98/69/EC (Euro 4), relating to measures to be taken against air pollution by emissions from motor vehicles and amending Council Directive 70/220/EEC, to expedite the placing on the market of passenger cars which satisfy future requirements to be adopted at Community level (Euro 5). ***In addition to the carbon-dioxide-based element introduced here, Member States are encouraged to introduce differentiated taxation based on emission of pollutants into their circulation tax systems.***

Or. de

*Justification*

*In addition to carbon-dioxide emissions, there are other atmospheric pollutants such as NO<sub>x</sub> and particulates that have a significant impact on air quality and should be taken into account when determining road tax.*

## Amendment by Matthias Groote

## Amendment 25

## Recital 3

(3) Member States should be encouraged to apply ***coordinated*** fiscal incentive for passenger cars that fulfil stricter emission limits than those which became mandatory under Directive 98/69/EC (Euro 4), relating to measures to be taken against air pollution by emissions from motor vehicles and

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amending Council Directive 70/220/EEC, to expedite the placing on the market of passenger cars which satisfy future requirements to be adopted at Community level (Euro 5).

Directive 70/220/EEC, to expedite the placing on the market of passenger cars which satisfy future requirements to be adopted at Community level (Euro 5).

Or. de

*Justification*

*Fiscal incentives should be seen as encouraging the sale and manufacture of environmentally friendly cars. Individual Member States should have the option of supporting such initiatives.*

Amendment by Matthias Groote

Amendment 26  
Recital 3 a (new)

***(3a) Member States should have the possibility, in addition to the carbon-dioxide-based element, of continuing to differentiate between categories of pollutants in accordance with Directive 70/220/EEC on the approximation of the laws of the Member States relating to measures to be taken against air pollution by gases from positive-ignition engines of motor vehicles and amendments thereto (Euro-norms) as a basis for calculating annual circulation tax and registration tax.***

Or. de

*Justification*

*PM, NOx, CO and HC have direct effects on the environment in the EU and should therefore be taken into account alongside CO2 in the calculation basis for motor vehicle taxation.*

Amendment by Gyula Hegyi, Mary Honeyball

Amendment 27  
Recital 3 a (new)

***(3a) Member States should spend their carbon dioxide-based passenger car related revenue on development and maintenance***

*of environmentally sound means of transport, such as public transport, especially tram, suburban light-train and rail systems.*

Or. en

*Justification*

*Transport sector is known to be the sole sector with continuously growing fossil energy use, and carbon dioxide emission, however, more efficient solutions are available, namely public transport, the share of which is declining due to lack of financial resources for development.*

Amendment by Gyula Hegyi, Mary Honeyball

Amendment 28  
Recital 3 b (new)

***(3b) Member States should be encouraged to introduce congestion charging to tackle air pollution and the growing problem of individual car use in the most congested city areas and routes.***

Or. en

*Justification*

*Congestion charging schemes prove to be an extremely powerful tool for reducing traffic in congested city areas and routes. As a result it also speeds up transport which is beneficial for businesses and creates a better environment for walking and cycling in cities. It is therefore imperative that the European Union take the lead on promoting congestion fare.*

Amendment by Anja Weisgerber

Amendment 29  
Recital 6

In the internal market, tax obstacles to the free movement of persons and of their personal property, including passenger cars, should be removed. The present Directive aims at removing such obstacles by means of restructuring passenger car related taxes applied by Member States, without obliging

In the internal market, tax obstacles to the free movement of persons and of their personal property, including passenger cars, should be removed. The present Directive aims at removing such obstacles by means of restructuring passenger car related taxes applied by Member States, without obliging them to introducing any new taxes. ***A linear***

them to introducing any new taxes.

***and directly proportional relationship between the tax burden and CO<sub>2</sub>-emissions as well as a single uniform and technology-neutral CO<sub>2</sub>-based element of circulation tax ensures that there are no obstacles to competition in the single market. This guideline for Member States will push forward the removal of those barriers in the internal market that arise from the structure of taxation. At the same time, Member States will not be restricted in decisions adapting the level of taxation to their economic, fiscal and environmental situation.***

Or. de

#### *Justification*

*Every gram of CO<sub>2</sub> that is released into the environment has the same effect on climate and should therefore be subject to the same amount of tax. The pressure for further savings of fuel and CO<sub>2</sub> should be kept up on all categories of vehicle to the same degree. This will result in proportional taxation whereby vehicles with higher CO<sub>2</sub> emissions are taxed more heavily than vehicles with lower emissions. There is no justification for taxing a gram of CO<sub>2</sub> at different rates.*

Amendment by Anja Weisgerber

Amendment 30  
Recital 8 b (new)

***(8b) The abolition of registration tax has positive effects on the environment as it leads to quicker renewal of the vehicle fleet. Reducing purchase costs gives consumers an incentive to replace their old vehicles with more fuel-efficient and less environmentally polluting vehicles.***

***The approach of taxing vehicle use and the actual impact on the environment is in line with the fundamental principle of Community environmental policy, whereby the polluter should pay for the costs of environmental pollution.***

Or. de

### *Justification*

*Statistics show that the average age of cars is considerably higher in countries with high registration tax than in countries with no such tax. From the environmental point of view, it is desirable that the vehicle fleet should be renewed so as to promote more energy-efficient vehicles.*

Amendment by Anja Weisgerber

Amendment 31  
Article 4 paragraph 1 a (new)

***Tax rates should be determined in direct proportion to the relevant CO2 emissions and the annual CO2 emission-based tax burden should rise steadily in line with increasing CO2 emissions. The tax should be designed in a technology-neutral way and applied uniformly to all categories of vehicle.***

Or. de

### *Justification*

*In view of the differences in approach and uncoordinated motor vehicle taxation initiatives in individual Member States, there is a danger of continuing fragmentation of vehicle taxation the European Union and hence the opposite effect of the harmonisation which is the objective of this Directive. This amendment is designed to ensure that future vehicle taxation is applied in a fair and competition-neutral way.*

Amendment by Gyula Hegyi

Amendment 32  
Article 5

***1. By 31 December 2008 the total tax revenue from the carbon dioxide-based element of the annual circulation taxes shall account for at least 25% of the total revenue from these taxes.***

***2. By 31 December 2010 the total tax revenue from the carbon dioxide-based element of the annual circulation taxes shall account for at least 50% of the total revenue from these taxes.***

***By 1 January 2008 the total tax revenue from the carbon dioxide-based element of the annual circulation taxes shall account for at least 50% of the total revenue from these taxes, which amount shall be spent on the development and maintenance of public transport.***

*Justification*

*Transport sector is known to be the sole sector with continuously growing fossil energy use, and carbon dioxide emission, however, more efficient solutions has been present, namely public transport, the share of which is declining due to lack of financial resources for development.*

Amendment by Gyula Hegyi

Amendment 33

Article 14

**1. By 31 December 2008** the total tax revenue from the carbon dioxide-based element of registration taxes shall account for at least **25%** of the total revenue from these taxes.

By **1 January** 2008 the total tax revenue from the carbon dioxide-based element of registration taxes shall account for at least **50%** of the total revenue from these taxes, ***which amount shall be spent on the development and maintenance of public transport.***

**2. By 31 December 2010** the total tax revenue from the carbon dioxide-based element of registration taxes shall account for at least **50%** of the total revenue from these taxes.

Or. en

*Justification*

*The same as for amendment 32.*

Amendment by Chris Davies

Amendment 34

Article 15

Member States shall communicate to the Commission the tax bases and the tax levels of registration and annual circulation taxes as applied on 1 January each year, and following each change in national law.

Member States shall communicate to the Commission the tax bases and the tax levels of registration and annual circulation taxes as applied on 1 January each year, and following each change in national law. ***In addition, Member States shall communicate to the Commission any measures taken to differentiate company***

***car taxation based on fuel efficiency. The Commission shall facilitate the exchange of best practice by publishing on-line a comparison report of the approaches taken by each Member State.***

Or. en

*Justification*

*In some Member States company cars account for more than 50% of new car sales. In the UK, for tax purposes, a percentage of the car price is added to the employee's taxable income in proportion to the car's CO2 emissions. This has contributed to a drop in CO2 emissions from company cars of 14% between 1999 and 2004, and should be encouraged.*

Amendment by Gyula Hegyi, Mary Honeyball

Amendment 35  
Article 15

Member States shall communicate to the Commission the tax bases and the tax levels of registration and annual circulation taxes as applied on 1 January each year, and following each change in national law.

Member States shall communicate to the Commission the tax bases and the tax levels of registration and annual circulation taxes as applied on 1 January each year, and following each change in national law.  
***Member States shall also inform the Commission about any congestion charging schemes, and the Commission shall then share this information with Member States.***

Or. en

*Justification*

*Congestion charging has proved to be an important financial tool for reducing car usage, funding public transport and encouraging the purchase of fuel efficient and alternative fuel vehicles in London. Where Member States have introduced such a charge, it is important that best practice is shared between member states so as to speed up the process of introducing a scheme which helps to cut CO<sub>2</sub> emissions.*