Charging of heavy goods vehicles for the use of certain infrastructures: vehicle taxation

2017/0115(CNS) - 31/05/2017 - Legislative proposal

PURPOSE: to allow Member States to gradually reduce annual taxes applied to heavy goods vehicles having a maximum permissible laden weight of above 12 tonnes.

PROPOSED ACT: Council Directive.

ROLE OF THE EUROPEAN PARLIAMENT: the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

BACKGROUND: Directive 1999/62/EC (the Eurovignette Directive) provides the legal framework for the charging heavy goods vehicles (HGVs) for the use of certain roads. It sets the minimum levels of vehicle taxes for HGVs.

Annual vehicle taxes are payments linked to the fact that the vehicle is registered on behalf of the taxpayer during a given period. Vehicle taxes are not effective when it comes to incentivising cleaner and more efficient operations, or reducing congestion. Tolls, on the other hand, being directly linked to road-use, are considerably better fitted to achieve these objectives.

The application of vehicle taxes represents a cost the industry must so far bear in any event, even if tolls were to be levied by Member States. Therefore, vehicle taxes may act as an **obstacle to the introduction of tolls**.

Therefore, the Commission considered that Member States should be afforded **more scope to lower vehicle taxes**.

This proposal is part of the Commission's effort to create an Energy Union, and of a series of proposals related to low-emission transport. It is presented together with another proposal which intends to promote the application of tolls, i.e. a form of road charging that is related to the distance travelled.

IMPACT ASSESSMENT: the option chosen is the one which includes the variation of charges for light vehicles according to their CO2 and pollutant emissions. This variation may be complemented with the requirement of external cost charging on at least part of the network for heavy duty vehicles and the phasing-out of time-based charging for light vehicles over a sufficiently long period.

CONTENT: the proposal seeks to amend Directive 1999/62/EC to allow Member States to **gradually reduce annual taxes applied to heavy goods vehicles** having a maximum permissible laden weight above 12 tonnes. It implies reducing the minima set out in Directive 1999/62/EC.

In order to minimise the risk of distortions of competition between transport operators established in different Member States, such reduction should be **gradual**.

The Commission considers that the reduction in vehicle tax paid for the use of HGVs by hauliers (which are all SMEs, and in most cases micro-enterprises) could serve as a compensation for potentially increasing road charges related to the application of distance-based schemes.