Taxes: taxation of passenger cars calculated on the basis of their emissions of carbon dioxide

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The committee adopted the report by Karin RIIS-JØRGENSEN (ALDE, DK) broadly approving the proposed directive on passenger car related taxes, subject to a number of amendments under the consultation procedure:

- the environmental aspect should be broader, with the level of the taxes linked to fuel efficiency and to other atmospheric pollutant emissions as well as carbon dioxide;

- the Commission should produce, by 31 December 2006, a study "on the weight that should be given to other possible factors in setting the tax base for passenger car taxes";

- to avoid fragmentation of vehicle taxation systems in the EU, taxes should be designed to be "technology neutral" and should be applied uniformly to all categories of vehicle;

- the committee introduced an amendment to one of the recitals stipulating that the changes introduced by the directive should be "in accordance with the principle of budget neutrality", i.e. the replacement of the registration tax by the annual circulation tax should not result in a loss of revenue for certain Member States;

- another amendment urged Member States to refrain from imposing double taxation in the case of registration taxes during the transitional period, particularly for EU citizens returning to their country of origin after spending more than 2 years in another Member State;

- the transition period should be set at the upper end of the time spell suggested by the Commission, i.e. ten years rather than "five to ten years" as stated in the proposal;

- the provisions of the directive should also be extended to the EEA-EFTA countries.