

Car Taxation Changes

"A political agreement has been reached about the tax measures proposed by the Minister of Finance Van Peteghem. By using company cars as a lever, the aim is to make the **Belgian car fleet more sustainable** and **achieve the 2030 climate targets**. The agreement is based on 3 pillars: **the tax and social treatment of company cars, tax incentives for charging infrastructure and simplification and extension of the mobility budget**. Although the proposal still must be voted and ratified, we have already listed the most important changes*."



(* What we described below is a summary of the political agreement as we know it and which has not yet been officially ratified. It is therefore possible that changes will be made during the parliamentary debate.



2021

1 September 2021 - More choice in the mobility budget

From 1 September, an employee with a company car or eligible for it will have a wider choice in pillar 2 of the mobility budget: the use of soft mobility

1 September 2021 - Tax incentive charging infrastructure

The agreement provides a tax relief for private individuals and increased deduction for companies that install charging stations between 01/09/2021 and 31/08/2024

2023

1 January 2023 - Maximum deduction of 50% for plug-in hybrids

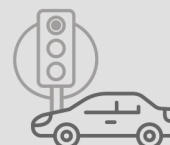
For plug-in hybrid vehicles purchased from January 1, 2023, a maximum deduction of 50% will apply to the consumption costs of petrol and diesel

1 July 2023 - Less tax benefits for cars with combustion engine

The tax deduction for new vehicles purchased from 1 July 2023 will be systematically phased out starting in 2025 in order to disappear completely in 2028

1 July 2023 - CO2 contribution increases for new fuel cars

The CO2 contribution for all fuel cars purchased from July 1, 2023 will increase between 2023 and 2027 by a factor ranging from 2.25 in 2023 to 5.5 in 2027



2025

1 January 2025 - Minimum CO2 contribution increases for all cars

The minimum amounts of CO2 contribution will also be raised. This measure is applicable for all cars, new and riding



2026

1 January 2026 - Only zero emission vehicles will benefit from tax advantages

Anyone who buys a new car from 1 January 2026 can only enjoy a tax benefit if this car is emission-free. An exception to this rule: light commercial vehicles with a classic combustion engine remain 100% deductible

1 January 2026 - Commuting allowance only for zero emission cars

The commuting allowance of 15 cents / km is only deductible if the journey is made with an emission-free car

1 January 2026 - Cars within the mobility budget must be emission-free

Cars chosen and used within the framework of the mobility budget must be emission-free

1 January 2026 - Start of the decrease in the tax deduction for emission-free cars

The tax deductibility of zero-emission cars will gradually decrease from 100% to 67.5% between 2026 and 2031

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