



LeasePlan

What's next?

Overview of the new vehicle taxation for passenger cars

Here is what the new vehicle taxes for passenger cars mean to drivers and fleet managers

In this presentation, you can learn more about the new vehicle taxes adopted by the Danish government on February 9, 2021, how they will affect you and how they are calculated.

In short:

- The new taxes will become effective on June 1, 2021, with retroactive effect going back to December 18, 2020
- The tax model is divided into two parts - it runs until 2030 with adjustments in 2025
- CO₂ surcharges will have significant impact on the car price moving forward
- New factors like "phasing in" and "bottom deduction" will have an impact on electric and plug-in hybrid car prices
- Privately installed charging stations are exempt from taxation starting July 1, 2021
- Green tax for diesel cars will be calculated based on CO₂ emissions instead of kilometers per liter starting July 1, 2021



Benefits for electric and plug-in hybrid cars

The new tax model favours environment-friendly cars in order to reduce CO₂ emissions. However, there are many different factors to consider. The current battery deduction for electric and plug-in hybrid cars remains and will be phased out until 2025.

Calculation of the taxable value

From now on, the vehicle's taxable value will be calculated based on the vehicle's steel price including VAT and potentially the battery exemption. Other deductions and supplements have been removed. Steel price is the vehicle's price before VAT and taxes.

The taxable value is calculated using three steps:

- 25 % taxation up to 65.000 DKK incl. VAT
- 85 % taxation from 65.000-202.200 DKK incl. VAT
- 150 % taxation over 202.200 DKK incl. VAT



Steel price including VAT

Registration tax and CO₂ surcharge

The new taxes are designed to have more people choose cars with low CO₂ emissions. All cars, except electric cars, are subject to a CO₂ surcharge based on CO₂ consumption while driving. For petrol and diesel cars with high CO₂ emissions, CO₂ surcharge will make the car more expensive.

For plug-in hybrid cars, it can go both ways. The key figure is 50 grams of CO₂ per kilometer. If your plug-in hybrid car is placed below this limit, it will be cheaper. Above this limit, the 50,000 DKK exemption no longer applies making the car more expensive.

0-125 grams of CO₂ per km

+ 250 DKK
per gram CO₂

126-150 grams of CO₂ per km

+ 500 DKK
per gram CO₂

>160 grams of CO₂ per km

+ 950 DKK
per gram CO₂



Basic deduction

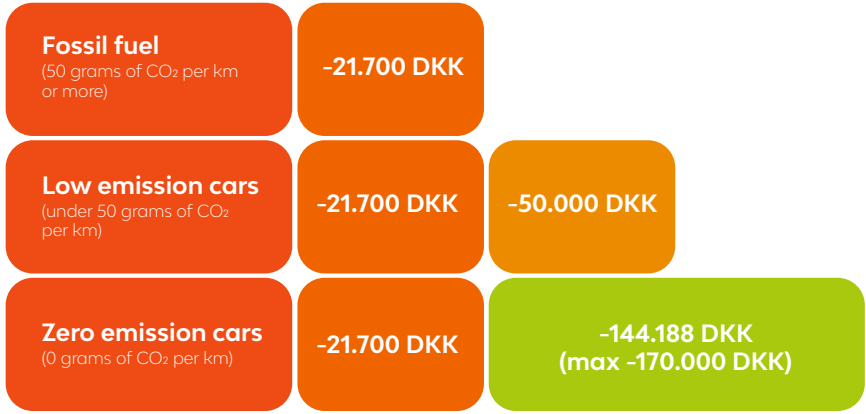
All cars are assigned a basic deduction of 21.700 DKK. This is indexed accordingly to the personal income tax act §20.

For low emission cars (plug-in hybrids)

For low emission cars, there is a basic deduction of an additional 50.000 DKK. This amount decreases by 1.250 DKK per year until 2025 and by 2.000 DKK per year until 2030. Hence, the extra basic deduction for low emission cars is 45.000 DKK in 2025 and 35.000 DKK in 2030.

For zero emission cars (100 % electric)

For zero emission cars, there is a basic deduction of an additional 144,188 DKK in our example at page 8. This deduction have a maximum of 170,000 DKK. The amount decreases by 2.500 DKK per year until 2025 and by 4.600 DKK per year until 2030. Hence, the extra basic deduction for zero emission cars is 160.000 DKK in 2025 and 137.000 DKK in 2030.



No taxation on private charging stations

Starting July 1, 2021, your private charging station will no longer be taxed at approx. 10.000 DKK per year.



New tax calculation and increasing environmental surcharge until 2025

Starting July 1, 2021, the environmental surcharge will start increasing every year towards 2025. It will gradually become more expensive to drive a petrol or diesel car over the coming years than plug-in hybrid or a fully electric car.

Likewise, the taxation calculation will change starting July 1, 2021. Taxation up to 300.000 DKK will gradually decrease while taxation above 300.000 DKK will increase. This will favour small and medium-sized cars.

The 25 and 20 percent rates used for calculation of the taxable value based on the car's calculation basis below and above DKK 300,000 has changed. The rate of 25 percent will be reduced by 0.5 per cent. annually until 2025. The rate of 20 per cent will be increased by 0.5 percent annually until 2025, after which there will be only one rate: 22.5 percent. This is also stated in the taxation report, which is sent to the fleet manager at driver change / recalculations.

Year	Taxation until 300.000 DKK	Taxation over 300.000 DKK	Environmental surcharge
2020	25%	20%	Ownership tax x 1,5
2021	24,5%	20,5%	Ownership tax x 2,5
2022	24%	21%	Ownership tax x 3,5
2023	23,5%	21,5%	Ownership tax x 4,5
2024	23%	22%	Ownership tax x 6
2025	22,5%	22,5%	Ownership tax x 7

Example: How to calculate new registration tax on petrol, diesel, plug-in hybrid, and electric cars with registration in 2021

	Petrol / diesel car	Plug-in hybrid car <small>(165 Wh/km, 60 km electric range, battery capacity 9,9 kWh)</small>	Electric car <small>(148 Wh/km, 580 km electric range, battery capacity 85,84 kWh)</small>
CO₂ emissions	175 grams per km	33 grams per km	0 grams per km
Gross taxable new value (steel price plus VAT)	376.202 DKK	349.054 DKK	444.900 DKK
Deductions / surcharge before tax	No	-16.830 DKK	-76.500 DKK
Calculation of registration tax before surcharge / deduction			
1st break in the curve (25 %)	16.250 DKK	16.250 DKK	16.250 DKK
2nd break in the curve (85 %)	116.620 DKK	116.620 DKK	116.620 DKK
3rd break in the curve (150 %)	261.003 DKK	195.036 DKK	249.300 DKK
Gross tax	393.873 DKK	327.906 DKK	382.170 DKK
CO₂ taxes			
Up to 125 g CO ₂ per km	31.250 DKK	8.250 DKK	No
125-160 g of CO ₂ per km	17.500 DKK	No	No
Over 160 g CO ₂ per km	14.250 DKK	No	No
Sum of CO ₂ -addition for the taxation	63.000 DKK	8.250 DKK	No
Calculation of the registration tax before taxes/deductions			
Registration tax	456.873 DKK	336.156 DKK	382.170 DKK
Basic deduction (all cars)	-21.700 DKK	-21.700 DKK	-21.700 DKK
Deduction in taxes if less than 50 grams of CO ₂ per km	No	-172.951 DKK	-216.282 DKK
Further basic deductions	No	-50.000 DKK	-144.188 DKK
Taxable value	376.202 DKK	332.224 DKK	368.400 DKK
Registration tax	435.173 DKK	91.506 DKK	0 DKK
Total including VAT and registration tax <small>(not including delivery costs)</small>	811.375 DKK	440.560 DKK	444.900 DKK

LeasePlan



Call us on (+45) 3673 8300

You can call us from Monday to Thursday from 8.30 a.m. to 4.30 p.m. and on Fridays from 8.30 a.m. to 4.00 p.m



Send us a message

We would love to hear from you and will get back to you soon