Council of the European Union
General Secretariat

PUBLIC

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Brussels, 18 March 2026

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LIMITE

TRANS	**ENV**
AVIATION	**ENER**
MAR	**ECOFIN**
CLIMA	**IND**
COMPET	**CODEC**

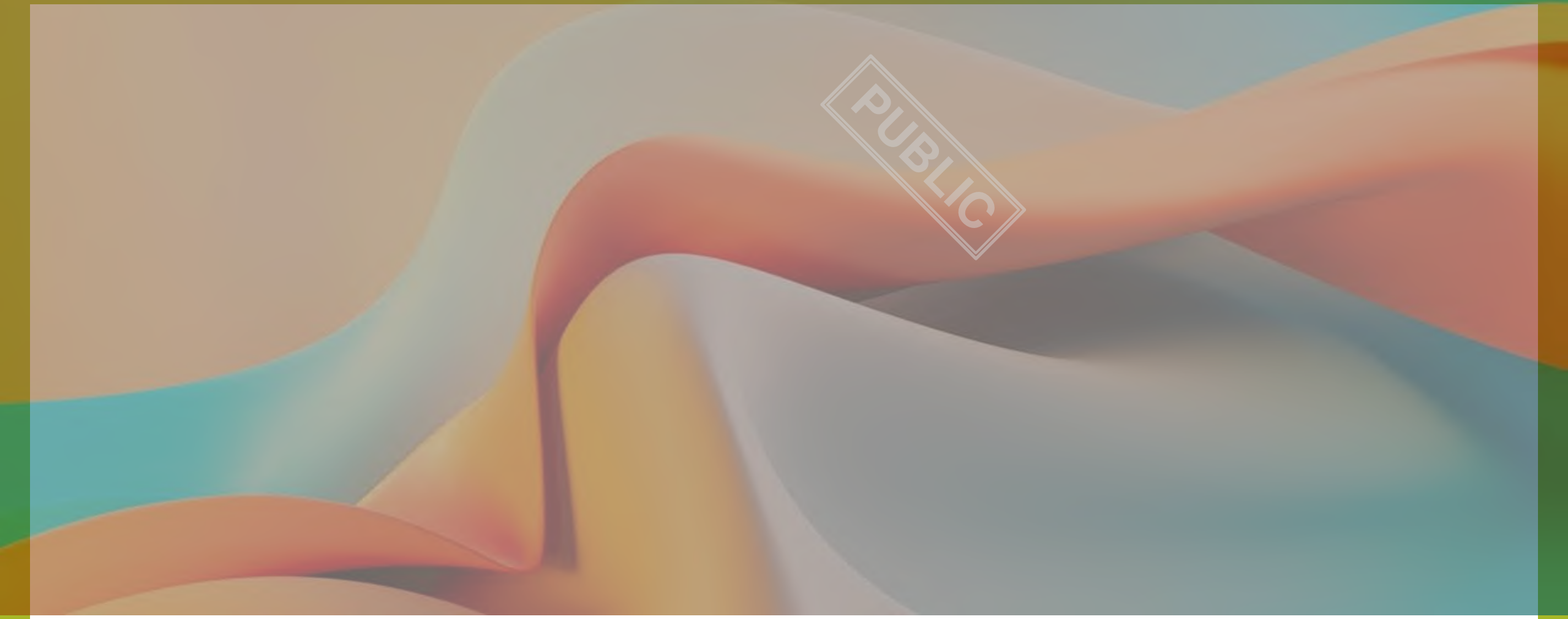
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WORKING DOCUMENT

From:	General Secretariat of the Council
To:	Working Party on Land Transport
Subject:	Proposal for a Regulation of the European Parliament and of the Council on clean corporate vehicles - Presentation by the Belgian delegation

Delegations will find, attached, the presentation given by the Belgian delegation during the Land transport working party on 17 March 2026.

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Greening Incentives for Belgium's Vehicle Fleet

Catalogue of fiscal and financial measures (Federal & Regions)

March 17, 2026

Institutional context shared competences

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- **Energy**, **transport** and **environment** competences are split between **Federal** level and the tree **Regions** (Flanders, Wallonia, Brussels-Capital Region (BCR))

Federal level keeps some strategic / cross-cutting levers; Regions hold the majority of operational competences

⇨ Policy coherence ideally requires permanent coordination, while competences remain independent

- This overview focuses on **mainly fiscal** measures for **zero- and low-emission** vehicles, with regional differentiation where relevant.

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Policy instruments covered (map of measures)

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- **One-off registration tax :** upon acquisition
- **Annual circulation tax**
- **Use-based charging:** kilometer charge for vehicles exceeding 3.5 tonnes for the transport of goods
- **Urban access regulation:** Brussels Low Emission Zone (LEZ)
- **Direct subsidies:** purchase premiums
- **Investment support**
- **Company-car taxation:** employer deductibility + employee benefit-in-kind (BIK) + commuting deduction rules + Mobility budget
- **Other levers**

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Registration tax : regional snapshot

- **Flanders**: ZEVs exempt until end-2025; from 2026 taxable at a **fixed reduced amount**
- **Wallonia**: registration tax computed via a **formula** driven notably by **engine type** and **CO_2 emissions** ⇒ EVs materially lower than ICE; no registration tax for professional vans and HGVs
- **Brussels-Capital Region**: ZEV cars benefit from the **minimum TMC tariff**; regime under revision.

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Annual circulation tax: regional snapshot

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- **Flanders**: ZEVs exempt until end-2025; from 2026 taxable, at a **lower amount than other vehicles**

- **Wallonia**: annual tax based on **engine displacement** translated into **fiscal horsepower**; EVs aligned to the **lowest bracket** ("≤ 4 fiscal HP"). For **HGVs**, annual tax depends on **axles** and **suspension type** (no powertrain-based exemption at this stage)

- **Brussels-Capital Region**: cars benefit from the **minimum yearly tariff**

Distance-based road charge for HGVs (1/2)

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- Inter-regional agreement (2011) led to a distance-based charging scheme for trucks
- Since **1 April 2016**: all HGVs > **3.5t** used (even partly) for road freight must carry an **On Board Unit (OBU)** with continuous GPS to record distance by region
- Tariff depends on: **maximum authorised mass** (incl. trailer), **Euro emission standard**, **road type** and **Region**
- **Zero-emission vehicles** are positioned at the **lowest tariff level** in the tariff matrix

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	Wallonia (ex-VAT)			Flanders			Brussels - highway			Brussels - urban area*		
[€ / KM]	3,5 < 12 TONS	12 - 32 TONS	> 32 TONS	3,5 < 12 TONS	12 - 32 TONS	> 32 TONS	3,5 < 12 TONS	12 - 32 TONS	> 32 TONS	3,5 < 12 TONS	12 - 32 TONS	> 32 TONS
euro-0	0,113	0,220	0,251	0,158	0,268	0,301	0,192	0,258	0,263	0,247	0,346	0,384
euro-1	0,113	0,220	0,251	0,158	0,268	0,301	0,192	0,258	0,263	0,247	0,346	0,384
euro-2	0,113	0,220	0,251	0,158	0,268	0,301	0,192	0,258	0,263	0,247	0,346	0,384
euro-3	0,113	0,220	0,251	0,132	0,242	0,275	0,166	0,231	0,237	0,214	0,313	0,351
euro-4	0,084	0,191	0,222	0,089	0,200	0,233	0,125	0,191	0,196	0,174	0,272	0,310
euro-5	0,070	0,177	0,208	0,074	0,184	0,217	0,110	0,176	0,181	0,156	0,255	0,293
euro-6	0,056	0,163	0,194	0,060	0,171	0,204	0,097	0,163	0,168	0,130	0,229	0,267
ZEV	0,056	0,163	0,194	0,009	0,031	0,038	0,017	0,030	0,031	0,023	0,043	0,050

(*) Urban area = all local and regional roads that are not highway.
The kilometre charge in Flanders and Brussels is a tax and is therefore not subject to VAT. In Wallonia, the kilometre charge is a fee that is subject to VAT.
Viapass ed. 01/01/2026

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Distance-based road charge for HGVs (2/2)

- **Temporary preferential rate for ZEVs: €0 cent/km** applies in:
  - **Flanders**: 1 Jan 2024 – 31 Dec 2029
  - **Brussels-Capital Region**: 1 Jul 2024 – 31 Dec 2029

New (Flanders): from **1 July 2026**, a **CO_2-emission-related surcharge** will be added to kilometre charge tariffs

Implementation of an updated EU directive (Directive **1999/62/EC**, already applied in several EU countries) to further accelerate fleet decarbonisation

	FLANDERS		
[€/km]	3,5<12 t	12-32 t	> 32 t
euro-0			
CO_2 emission class 1	0,205	0,343	0,395
euro-1			
CO_2 emission class 1	0,199	0,334	0,385
euro-2			
CO_2 emission class 1	0,199	0,334	0,385
euro-3			
CO_2 emission class 1	0,173	0,307	0,359
euro-4			
CO_2 emission class 1	0,130	0,263	0,315
euro-5			
CO_2 emission class 1	0,115	0,247	0,299
euro-6			
CO_2 emission class 1	0,102	0,234	0,286
CO_2 emission class 2	0,099	0,231	0,282
CO_2 emission class 3	0,098	0,227	0,278
CO_2 emission class 4	0,082	0,203	0,246
ZEV			
CO_2 emission class 5	0,010	0,032	0,039

From July 1st, 2026

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Brussels Low Emission Zone (LEZ): access rules and timeline

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- BCR (19 municipalities) is a **Low Emission Zone (LEZ)**.
- Since **2018**: progressive bans on the most polluting vehicles; applies to Belgian and foreign-registered **vehicles**.
- Planned phase-out: **diesel cars by 2030**; **petrol cars by 2035**. Other categories (vans, minibuses, buses/coaches, HGVs, motorised two-wheelers): category-specific schedule
- Non-compliant vehicles: **day pass** available (max **24/year/plate**), **€20–€50** depending on vehicle category
- **ZEVs**: permitted and benefit from **automatic exemption**; **hybrids** are treated like equivalent ICE vehicles for the exclusion calendar.

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Direct subsidies: purchase premiums

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- **Flanders**
  - Existed 2016–2020; reintroduced for 2024.
  - 2024 level: **€5,000** for new vehicle (cap: €40,000 incl. VAT), **€3,000** for second-hand.
  - Eligible: private individuals, car-sharing companies, non-profits.
  - Scheme ended end-2024; supported **15,890** vehicles; total budget ~**€73.9m**.
- **Other Regions**: no purchase premium

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Federal investment-side incentives: charging infrastructure & investment deduction

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1. **Enhanced deduction for fixed, new, smart and publicly accessible charging stations (companies & self-employed):** 200% (1 Sep 2021–31 Mar 2023) → 150% (1 Apr 2023–31 Aug 2024) → 100% after 1 Sep 2024; 75% from 2030.
2. **PIT tax reduction for installing a home charger (individuals):** eligible payments between 1 Sep 2021–31 Aug 2024 (historical); cap per charger (≈€1,500–€8,000 by year/spec); rate stepped down (45%→15%).
3. **Investment deduction (reform from 1 Jan 2025):** base 10% (self-employed/small); **thematic** enhanced 40% (self-employed/small/large) incl. *zero-emission transport, energy efficiency/renewables and environment-friendly investments* (regional attestations).

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Company cars

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- Company cars are a major lever: ~**60%** of new passenger cars are company cars in Belgium.
- Key reform: **Law of 25 Nov 2021** organising the fiscal and social greening of mobility; introduces a CO_2-linked deductibility calendar.

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Company cars: employer deductibility (CIT & self-employed)

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- For taxpayers subject to corporate income tax (CIT) and for self-employed (PIT):
  - **Non-ZEVs**: deductibility phases out for new acquisitions. Since 2026 : 0% (with transitional regimes for earlier acquisitions & exception for hybrids in the PIT).
  - **ZEVs** :

Deductibility Percentage (%)	Year of acquisition, leasing or rental of the ZEV
100	2026
95	2027
90	2028
82.50	2029
75	2030
67.50	2031

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Company cars: employee BIK + commuting deduction

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- **Benefit in kind (BIK)** for private use of a company car:
  - Calculated based on catalogue value and vehicle age, engine type, and the gap between the vehicle's CO_2 emissions and the prior-year average emissions of cars sold in Belgium.
  - ZEVs are taxed at the **minimum CO_2-based rate**: **4%** of catalogue value, materially below ICE vehicles
- **Commuting expenses (personal income tax):**
  - Employees opting for actual expenses may deduct **€0.15/km** for home–work travel
  - Applies only to vehicles for which professional deductibility is authorised (electric; hybrids temporarily; and vehicles under transitional deductibility regimes).

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Mobility budget - structure, tax treatment, 2026 tightening

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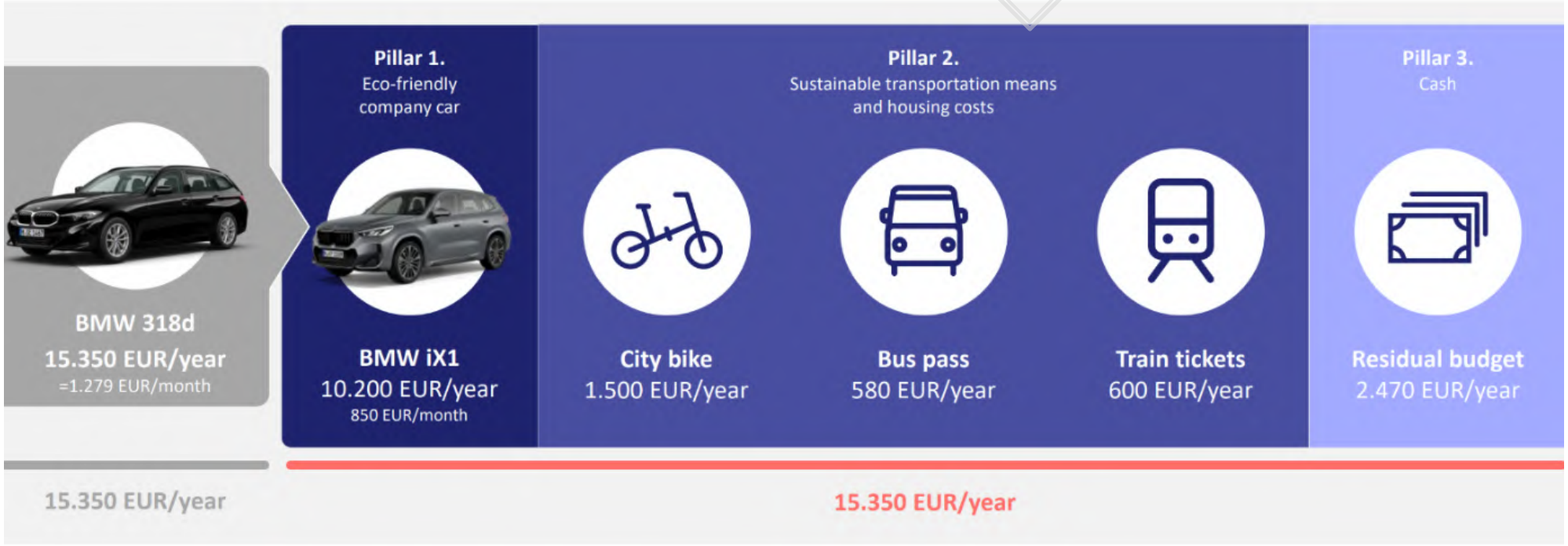
- employee entitled to a **company car** can **give it up** for an **annual budget** split across **3 pillars:**
  - **Pillar 1**: "green" company car; from **1 Jan 2026** only **zero-emission** cars allowed.
  - **Pillar 2**: sustainable transport & housing cost near work; from **1 Jan 2026 all motorised vehicles** funded under pillar 2 must be **zero-emission**.
  - **Pillar 3**: unused balance paid in cash annually, subject to a **special contribution (38.07%)**.
- Policy signal: supports **car-shedding** and mode shift
- **New** - government agreement 2025–2029 mentions a possible move toward **mandatory** offering (not yet enacted but in preparation) and a mobility budget for everybody (not yet in preparation)

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Example

Exchanging the Company Car Budget for a Mobility Budget where one leases an electric car, obtains a bus pass and purchases train tickets



Note: TCO2 amounts displayed on this page have been rounded. TCO calculated for 15.000 km/year, 48 months.

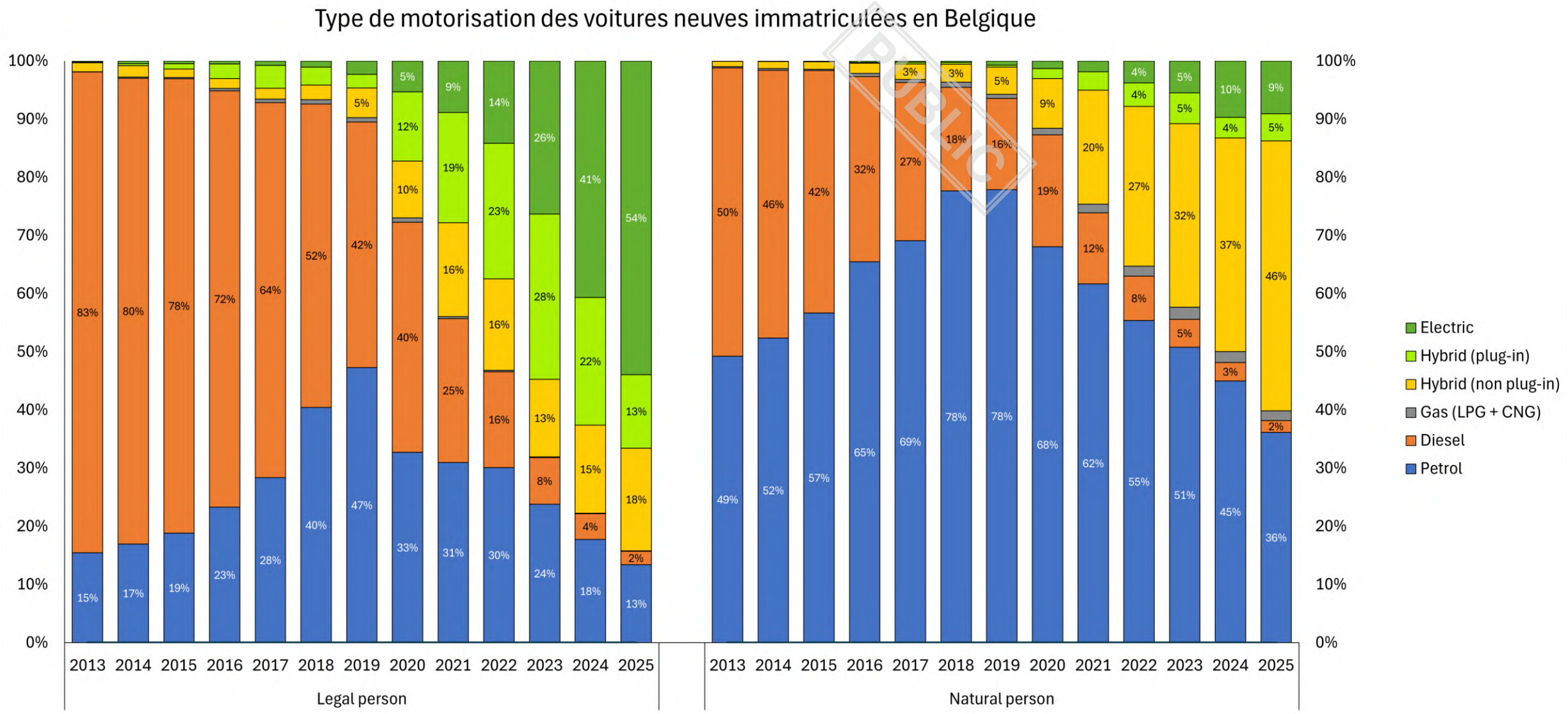
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Other complementary measures:

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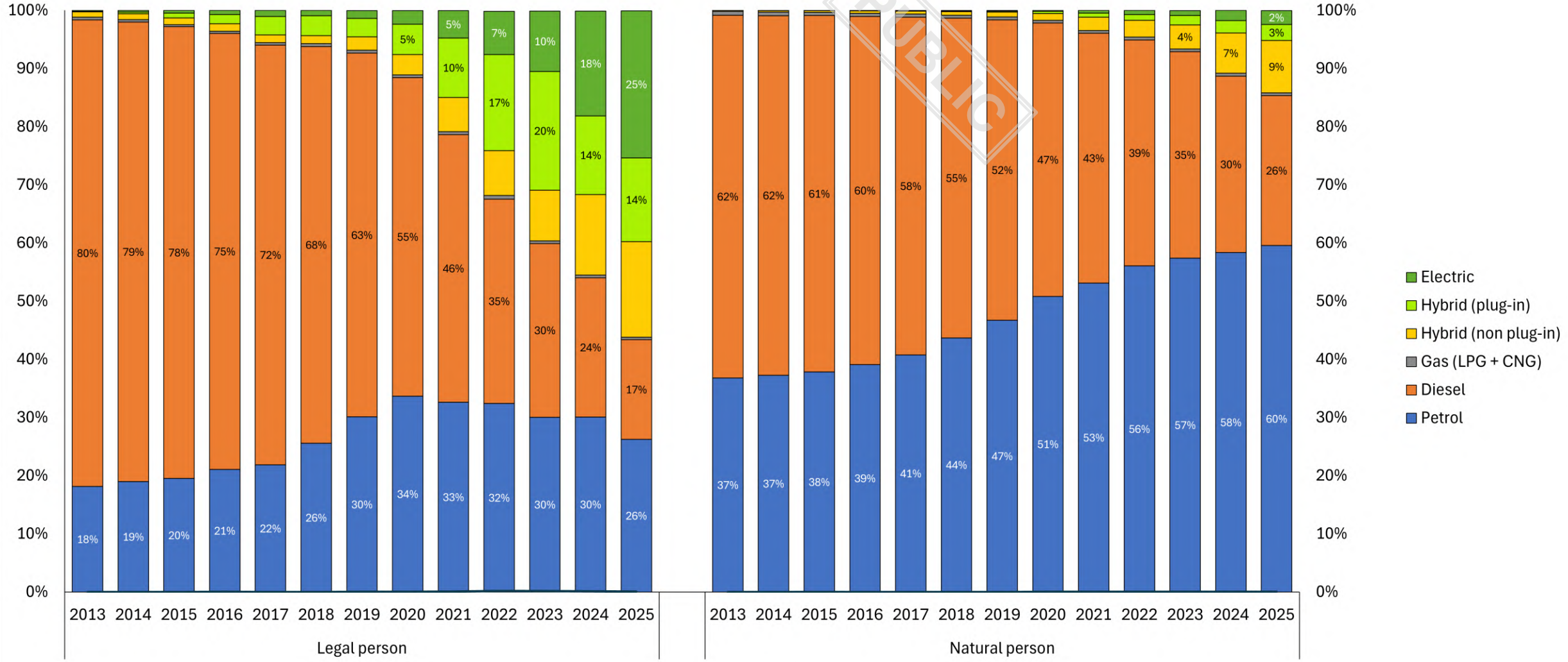
- Flanders: **Ecoboost loan** to finance eligible investments (renewables, water, waste, and also sustainable mobility; eligible list evolves).
- Local level: potential **parking tariff reductions/waivers** for ZEVs (often during charging), depending on municipality.
- Flanders : **"Ecology bonus"** (for companies realising ecology investments in the Flemish Region): 15%–55% of incremental cost; transport scope narrowed from 2026; 2023–2025 ~€53.2m
- …

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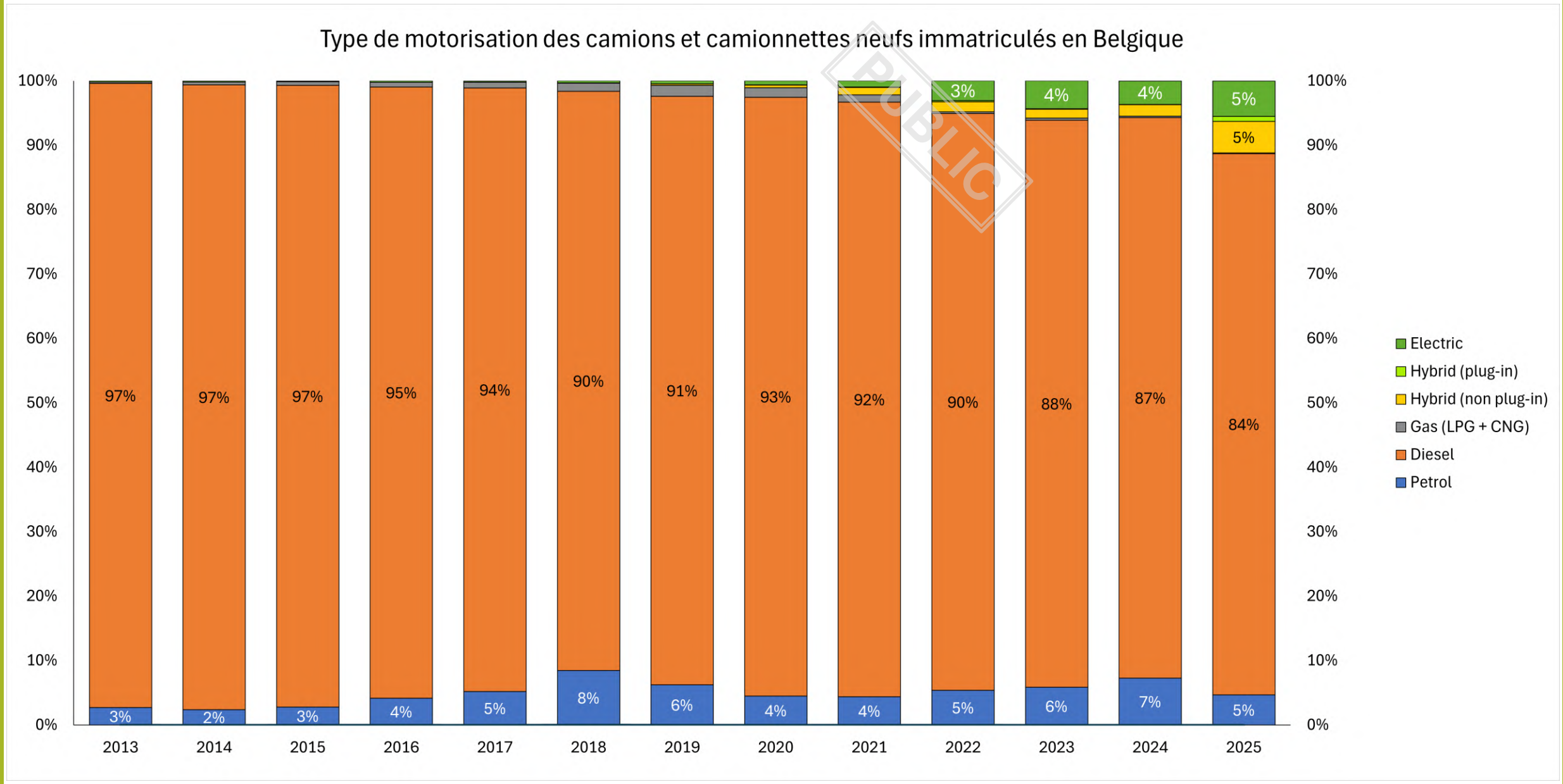
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Type de motorisation des voitures d'occasion immatriculées en Belgique



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Conclusion