

COUNCIL IMPLEMENTING DECISION (EU) 2016/2266**of 6 December 2016****authorising the Netherlands to apply a reduced rate of taxation to electricity supplied to charging stations for electric vehicles**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity ⁽¹⁾, and in particular Article 19 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) On 29 March 2016 the Netherlands sought authorisation to apply, in accordance with Article 19(1) of Directive 2003/96/EC, a reduced rate of taxation on electricity supplied to electric vehicles. At the Commission's request, the Netherlands provided additional information on 6 April, 20 June and 18 August 2016.
- (2) The reduced rate of taxation aims at promoting the use of electric vehicles by reducing the cost of the electricity used to propel those vehicles.
- (3) The use of electric vehicles avoids emissions of air pollutants originating from the combustion of petrol and diesel or other fossil fuels and therefore contributes to an improvement of air quality in cities. Furthermore, the use of electric vehicles can reduce CO₂ emissions where the electricity used is produced from renewable energy sources. The measure is therefore expected to contribute to the environmental, health and climate policy objectives of the Union.
- (4) The Netherlands requested explicitly that the reduced rate of taxation be applied to electricity supplied to electric vehicles for both business and non-business use and that charging stations that are not accessible to the public also be covered.
- (5) The Netherlands asked for the reduced rate of taxation on electricity to apply only to charging stations where the electricity is used to charge an electric vehicle directly and not to apply to electricity that is provided through the exchange of batteries.
- (6) A reduced rate of taxation on electricity supplied to electric vehicles via charging stations will improve the business case for publicly accessible charging stations in the Netherlands, which should make the use of electric cars more attractive and result in improved air quality.
- (7) Considering the limited number of electric vehicles and the fact that the level of taxation on electricity supplied to electric vehicles via charging stations will be above the minimum level of taxation for business use laid down in Article 10 of Directive 2003/96/EC, the measure is unlikely to lead to distortions in competition during its lifetime and will thus not negatively affect the proper functioning of the internal market.
- (8) The level of taxation on electricity supplied to electric vehicles via charging stations that are not for business use will be above the minimum level of taxation for non-business use laid down in Article 10 of Directive 2003/96/EC.

⁽¹⁾ OJ L 283, 31.10.2003, p. 51.

- (9) In accordance with Article 19(2) of Directive 2003/96/EC, each authorisation granted under Article 19(1) of that Directive is to be strictly limited in time. The Netherlands requested that the authorisation be granted for 4 years to ensure that the authorisation period is sufficiently long so as not to discourage economic operators from making the necessary investments.
- (10) This Decision is without prejudice to the application of the Union rules regarding State aid,

HAS ADOPTED THIS DECISION:

Article 1

The Netherlands is authorised to apply a reduced rate of taxation on electricity supplied to charging stations directly used for charging electric vehicles, excluding charging stations for the exchange of batteries for electric vehicles, provided that the minimum levels of taxation laid down in Article 10 of Directive 2003/96/EC are respected.

Article 2

For the purposes of this Decision, the definition of 'electric vehicle' laid down in point (2) of Article 2 of Directive 2014/94/EU of the European Parliament and of the Council ⁽¹⁾ shall apply.

Article 3

This Decision shall be applicable from 1 January 2017 until 31 December 2020.

Article 4

This Decision is addressed to the Kingdom of the Netherlands.

Done at Brussels, 6 December 2016.

For the Council
The President
P. KAŽIMÍR

⁽¹⁾ Directive 2014/94/EU of the European Parliament and of the Council of 22 October 2014 on the deployment of alternative fuels infrastructure (OJ L 307, 28.10.2014, p. 1).