



COMMERCIAL VEHICLES

Advisory Handbook 2025



A commercial vehicle is an essential asset for many entrepreneurs. Various specific (tax) regulations apply to commercial vehicles, mainly aiming to limit the taxation on business use. However, these regulations are subject to several conditions, including specific provisions for zero-emission commercial vehicles.

This advisory handbook provides information on the following:

- What qualifies as a commercial vehicle?
- Purchasing: What are the available schemes?
- Additional tax charge: What are the conditions?
- Vehicle Registration Tax (BPM)
- Motor Vehicle Tax (MRB)

WHAT QUALIFIES AS A COMMERCIAL VEHICLE?

Not every vehicle used for transporting goods is automatically considered a commercial vehicle for tax purposes. There are several types of commercial vehicles, such as those with an open cargo area, a raised roof, or a double cab. Each type is subject to different design requirements. For instance, in some cases, side windows are allowed, while in others, they are not.

Important!

Commercial vehicles may sometimes feature one side window on the right side of the cargo area. However, it is common for such vehicles to be equipped with multiple side windows from the factory. For a vehicle to be recognised as a commercial vehicle for tax purposes, these side windows must be removed and replaced with solid, opaque panels made of non-glass, rigid material. These panels must be securely fixed to the bodywork, covering all sides in an unbroken manner.

The Dutch Tax Authorities have clarified that the above requirement can also be met without removing the side window on the outside of the cargo area. In this case, opaque and rigid material must be affixed to the interior of the bodywork. This approach avoids unnecessary costs while achieving the same degree of window coverage.

Tip!

For a detailed overview of all design requirements for each type of commercial vehicle, please check the Dutch Tax Authorities website.

Attention!

If your commercial vehicle does not meet these requirements, the tax facilities for a commercial vehicle will not apply.

PURCHASING: WHAT SCHEMES ARE AVAILABLE?

When purchasing a commercial vehicle, you may be eligible for the KIA (Small-Scale Investment Allowance) and, if purchasing a new hydrogen-powered commercial vehicle, two schemes: the KIA and the MIA (Environmental Investment Allowance).

KIA (Small-Scale Investment Allowance)

If the commercial vehicle is part of your business assets, you are eligible for the KIA when purchasing the vehicle. This allowance can be deducted from your taxable profit. The KIA applies to both new and used commercial vehicles. The amount depends on your total investments in a year and is capped at 28% of the investment value. To qualify for the KIA, your investment must be between €2,901 and €392,230. Please refer to the Dutch Tax Authorities for calculation methods and conditions.

MIA (Environmental Investment Allowance) for Hydrogen-Powered Commercial Vehicles

In 2025, you are also entitled to a 45% MIA for a new hydrogen-powered commercial vehicle. This allowance can be deducted from your taxable profit. The asset is eligible for MIA on 90% of the investment amount, with a maximum of €125,000. For instance, if you purchase a hydrogen-powered commercial vehicle for €75,000, MIA applies to €67,500.

Note!

The SEBA (Subsidy for Zero-Emission Commercial Vehicles) scheme was discontinued as of 1 January 2025.

ADDITIONAL TAX CHARGE: WHAT ARE THE CONDITIONS?

When does the additional tax charge not apply?

If a commercial vehicle is made available for use, the additional tax charge generally applies. For entrepreneurs, this is processed via the income tax return, while for employees, including directors and major shareholders (DGA), it is processed via the payroll administration.

However, the additional tax charge is not applicable in the following situations:

Private Use Under 500 km

The additional tax charge is waived if it can be proven that the commercial vehicle is used for private purposes for no more than 500 km annually. Although maintaining a mileage log is not mandatory, it is advisable to do so for proof. Automatic mileage tracking solutions are also available.

Employees can apply for a 'No Private Use Declaration' for staff who drive less than 500 km privately. If you, as an employer, hold this declaration and there is no indication of misuse, you do not need to account for the additional tax charge in payroll administration. Any inspections and corrections are directed at the employee.

Note!

Freelancers ('*eenmanszaak*') cannot apply for such a declaration under income tax regulations.

Almost Exclusively Suitable for Goods Transport

Commercial vehicles that are almost exclusively suitable for goods transport are exempt from the standard additional tax charge. Examples include:

- Vehicles too dirty for private use, such as the insides of a mechanic's van covered in oil.
- Vehicles with only one seat, where any additional seat mounting points are removed or welded shut.
- Vehicles with a second seat only if the passenger is essential for loading and unloading.

Other types of commercial vehicles may also qualify under this exemption, depending on specific circumstances. In the past, a vehicle with racks for transporting plants in the cargo area was considered almost exclusively suitable for goods transport. Consult your tax inspector in case of doubt.

If such a vehicle is used privately, the private benefit is added to the employee's salary based on the cost per kilometre multiplied by the private kilometres driven.

Exclusive Business Use

If a commercial vehicle is used exclusively for business purposes, the additional tax charge does not apply. A 'Declaration of Exclusive Business Use of Commercial Vehicle' must be requested from the Dutch Tax Authorities, and no mileage log is required. The authorities may conduct inspections to ensure the vehicle is not used privately.

The Dutch Tax Authorities may ask you to clarify the business purpose for which you were using the commercial vehicle at a specific moment. If you cannot reasonably demonstrate that the vehicle was used for business purposes, you may be subject to an additional tax assessment or a retrospective tax charge with a penalty.

Important!

If you use a 'Declaration of Exclusive Business Use of Commercial Vehicle', you are strictly prohibited from using the commercial vehicle for any private purposes. This prohibition includes, for example, picking up your child from daycare on the way home from work. The 500 km limit does not apply in this case.

The 'Declaration of Exclusive Business Use of Commercial Vehicle' can be requested by both employees and self-employed individuals under income tax regulations.

In the following situations, the additional tax charge does not apply to a commercial vehicle. However, these situations generally do not apply to self-employed individuals under income tax or directors and major shareholders (DGA).

Private Use Prohibited

If private use of the commercial vehicle is prohibited, the additional tax charge is waived, provided that the employer actively monitors compliance with this prohibition. If private use occurs despite the prohibition, the additional tax charge must be paid, and a significant sanction must be imposed on the employee. This agreement, including the prohibition and sanctions, must be documented in writing. For DGA's, this option only applies if a genuine prohibition is in place, which cannot be self-imposed by the DGA.

Private Use Impossible

The additional tax charge is also not applicable if private use of the commercial vehicle is genuinely impossible. Examples include situations where the vehicle keys must be handed in at the end of the day, or the vehicles are parked on a locked premises outside working hours.

Continuous Alternating Use

If a commercial vehicle is continuously used by different employees, making it difficult to determine private use, the additional tax charge does not apply. However, this does not apply if, for instance, two employees take turns using the vehicle privately. For continuous alternating use, the employer must pay a fixed amount of €438 in tax via the final levy instead of calculating the additional tax charge for each vehicle. This continuous alternating use must be necessitated by the nature of the work.

Note!

The court has ruled that the final levy does not eliminate the application of the additional tax charge for the entrepreneur if the vehicle is also available to them. This applies to entrepreneurs in the income tax (*'eenmanszaak'*).

STILL SUBJECT TO THE ADDITIONAL TAX CHARGE?

If none of the conditions listed above apply to your situation, your commercial vehicle falls under the additional tax charge scheme.

THE SELF-EMPLOYED ENTREPRENEUR (*'EENMANSZAAK'*)

If, as a self-employed entrepreneur, you have a commercial vehicle that is part of your business assets, it is subject to the additional tax charge. The additional tax charge represents the amount that cannot be deducted from your taxable profit due to private use. This amount can never exceed the actual vehicle costs, including depreciation.

EMPLOYEES AND DIRECTORS AND MAJOR SHAREHOLDERS

For employees and DGA's who are provided with a commercial vehicle, the additional tax charge is treated as taxable income. The employer is responsible for withholding payroll tax on this amount.

HOW MUCH IS THE ADDITIONAL TAX CHARGE?

The additional tax charge is calculated as a percentage of the vehicle's list price, depending on the year of first registration. This percentage remains fixed for 60 months, after which it is determined according to the applicable legislation at that time.

- For vehicles first registered in 2025 that are not fully electric or do not run on hydrogen or solar energy, the additional tax charge is 22% of the list price.
- For fully electric commercial vehicles, the additional tax charge in 2025 is 17% of the list price up to a maximum of €30,000 and 22% on any amount above €30,000.
- For hydrogen or solar-powered commercial vehicles, the additional tax charge is 17% of the full list price in 2025.

Example:

Employee A is provided with a non-electric commercial vehicle with a list price of €50,000, first registered in 2025. Additional tax charge for Employee A: $€50,000 \times 22\% = €11,000$

Employee B is provided with an electric commercial vehicle with a list price of €50,000, also first registered in 2025. Additional tax charge for Employee B: $(€30,000 \times 17\%) + (€20,000 \times 22\%) = €5,100 + €4,400 = €9,500$

SIMPLIFIED MILEAGE RECORD

If an employee frequently makes many trips in a commercial vehicle during a single day due to the nature of their work, maintaining a full mileage log may be an excessive administrative burden. In such cases, the employee can demonstrate the number of private kilometres driven through a combination of a simplified mileage record and the business addresses recorded in the employer's (project) administration.

However, a written agreement must be in place between the employer and the employee, stating that:

- The employee maintains a simplified mileage record.
- Private use of the vehicle during work and lunch breaks is prohibited.
- The employer keeps records of the business addresses in their administration.

A template agreement for a simplified mileage record is available for use.

VEHICLE REGISTRATION TAX

When purchasing a new car, commercial vehicle, or motorcycle, Vehicle Registration Tax (BPM) is payable. BPM is also due on imported vehicles of the same type. The amount of BPM is calculated based on the CO2 emissions and the net list price. No BPM is payable for vehicles without CO2 emissions.

As of 1 January 2025, entrepreneurs are no longer eligible for BPM exemption when purchasing a commercial vehicle.

MOTOR VEHICLE TAX (MRB)

If you use a vehicle on public roads in the Netherlands, Motor Vehicle Tax (MRB) is generally payable. The amount of MRB you owe for a commercial vehicle depends on the vehicle's weight, fuel type, and environmental impact. Under certain conditions, entrepreneurs benefit from a reduced MRB rate, provided that the vehicle is used for business purposes for more than 10% of the time. Proof of use is required upon request, but a mileage log is not mandatory.

Additionally, discounts apply to vehicles without CO2 emissions and plug-in hybrid vehicles:

- Electric vehicles receive a 75% MRB discount in 2025. This discount reduces to 25% from 2026 to 2030.
- Plug-in hybrid vehicles receive a 25% MRB discount in 2025. The standard MRB rate applies from 2026.

For zero-emission commercial vehicles, a 75% MRB discount applies in 2025. This discount will be discontinued in 2026, and the standard MRB rate for commercial vehicles will apply.

Example:

If you drive a diesel-powered commercial vehicle weighing 1,300 kg, your MRB costs are:

- For private use: €342 per quarter.
- For business use (as an entrepreneur): €118 per quarter.

INTRODUCTION OF ZERO-EMISSION ZONES

When a municipality introduces a zero-emission zone, only electric trucks and commercial vehicles are permitted to enter the area, aiming to reduce CO2 emissions. However, many entrepreneurs who regularly enter such zones do not yet own electric vehicles, partly due to the high purchase costs.

The government intends to ease the transition for entrepreneurs. This may include temporarily refraining from issuing fines for non-compliant vehicles entering zero-emission zones. However, it is still unclear whether this approach will be adopted.

Numerous municipalities have already announced plans to introduce zero-emission zones as of 1 January 2025. It remains uncertain whether fines will be imposed on those who enter without an electric truck or commercial vehicle.

CONTACT

Email: info@esj.nl

Phone: +31 (0)88 0 320 600

Disclaimer

While this Advisory Handbook has been prepared with the utmost care, no liability is accepted for any inaccuracies or omissions. Given its broad and general nature, this handbook is not intended to provide all the information necessary for making financial decisions.