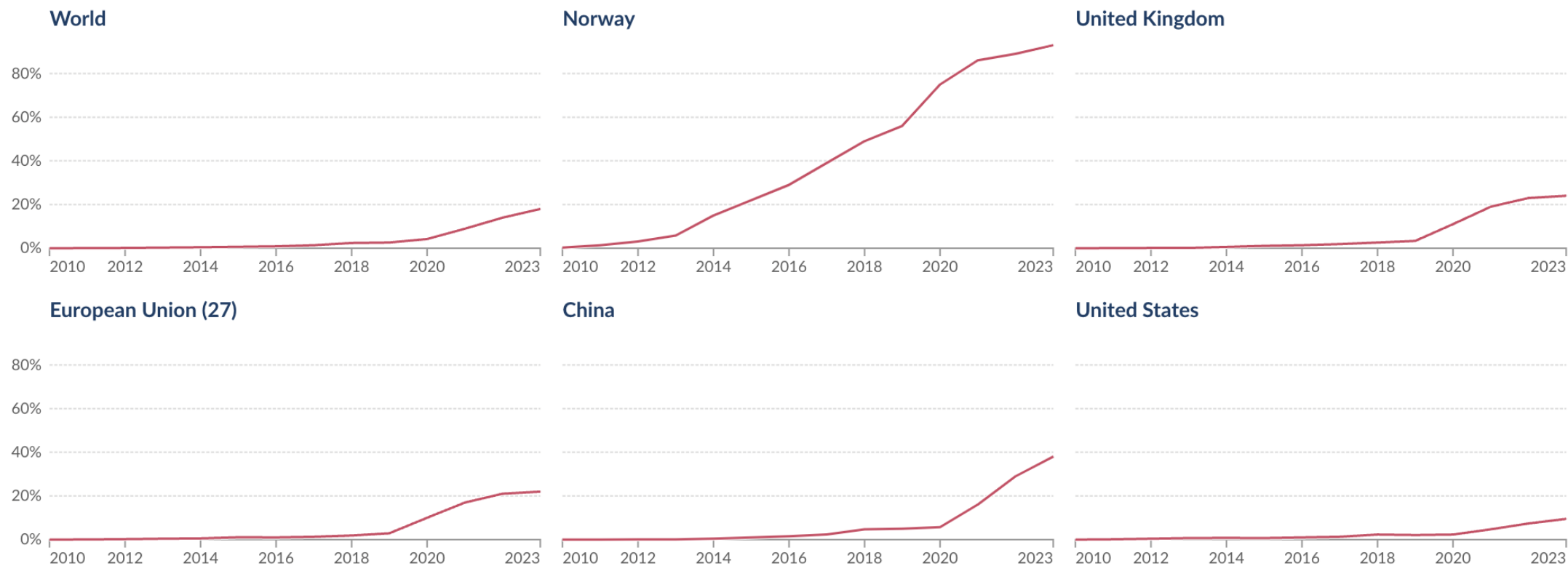


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Public Incentives Driving EHV Adoption in the Visegrad Group and Serbia

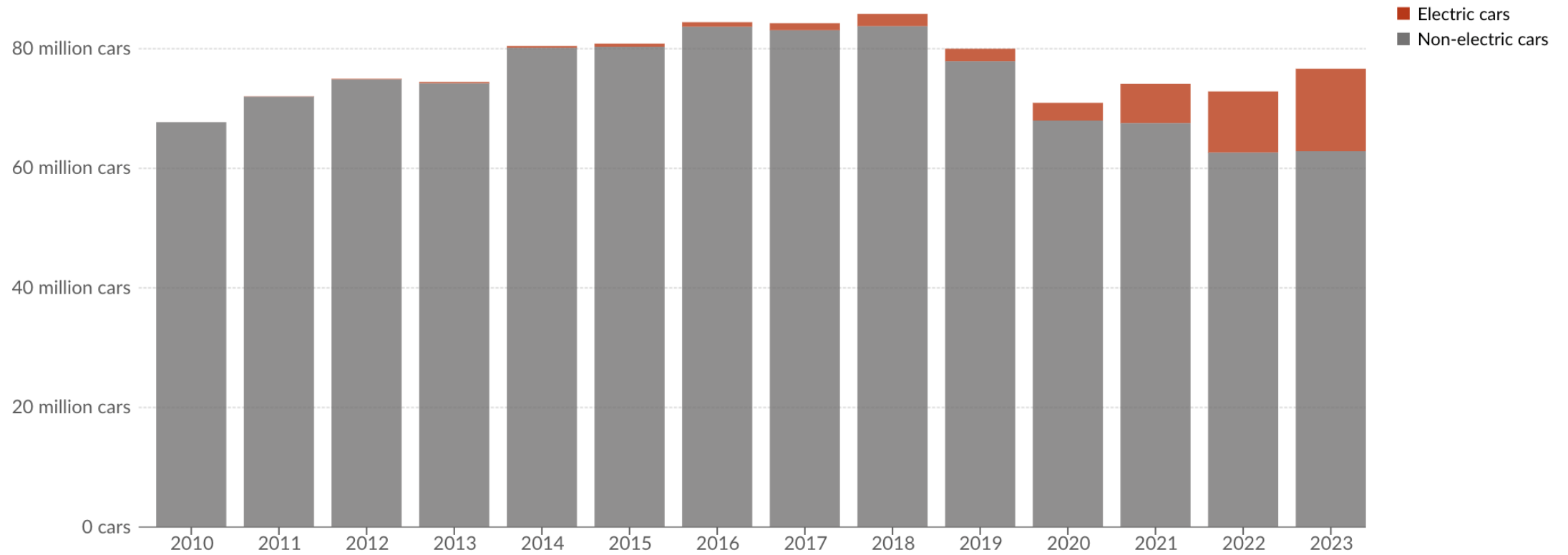




Share of new electric cars sold, 2010 to 2023

Emerging Trends in Electric and Hybrid Vehicles

- There are substantial differences in the state of electromobility advancement in individual countries worldwide.
- EV chargers are getting smaller and more adapt to urban settings.
- Ultra-fast charging technology is one of the most in-demand solutions of our time and until EV drivers can match their charging time with that taken by ICE vehicle drivers.
- Battery swapping technology is also in high demand, as one of the biggest drawbacks to owning an EV is the time a battery takes to charge. But battery swapping allows a driver to exchange their empty battery, with a fully charged one, to get them back on the road.
- Wireless charging.
- Bidirectional charging.
- Electrified roads.



Number of new cars
sold, by type, World

Incentives for EHV's purchase

- Many countries in the world, in order to overcome the obstacles related to the implementation of electric cars in everyday life, have developed a policy of promoting electric cars based on various incentive programs.
- One of the classifications generally distinguishes three main groups of incentives. There are:
 - incentives related to the producer of electric cars,
 - incentives related to the charging infrastructure for electric cars,
 - financial incentives aimed directly at owners of electric cars or owners of electric car fleets.
- On the basis of the literature review, it can be concluded that the level of applying incentives in individual European countries differs significantly.
- An interesting form of financial incentive is the scrapping program.

2025 purchase subsidies in V4 & Serbia

Hungary	Poland	Czech Republic	Slovakia	Serbia
<p>As of 5 February 2024, Hungary launched a company-only BEV subsidy programme with a total budget of €79.1 million. Despite high demand and budget exhaustion by 17 April 2025, the programme remains open for applications. Support levels:</p> <p>Passenger cars:</p> <ul style="list-style-type: none">≤€30,000 & ≤41 kWh: €5,500≤€37,000 & 41–59 kWh: €9,500≤€52,700 & >59 kWh: €10,500 <p>N1, N2, M2 commercial vehicles:</p> <ul style="list-style-type: none">≤€44,800 & ≤49 kWh: €9,500≤€58,000 & 49–74 kWh: €10,000≤€66,000 & >74 kWh: €10,500	<p>The “NaszEauto” programme, launched on 3 February 2025, offers substantial purchase subsidies for new battery electric vehicles (BEVs), replacing the earlier “Mój elektryczny samochód” scheme. Funded under the National Reconstruction Plan with a budget of approx. €355 million, the programme is open to private individuals and sole proprietorships. The base subsidy amounts to €4,170, with an additional €2,220 available for those who scrap an old internal combustion engine (ICE) vehicle. Low-income households are eligible for an extra €2,500, while holders of the Large Family Card (KRD) and sole proprietors can receive subsidies of up to €6,670. The maximum total subsidy under the scheme reaches €8,890. To qualify, the net list price of the vehicle must be under €50,000. Applications remain open until 30 April 2026 or until the allocated funds are exhausted.</p>	<p>No purchase subsidies available in 2025.</p>	<p>No direct BEV purchase subsidies in place as of 2025. The government has expressed interest in future subsidies, but no concrete program exists yet.</p>	<p>For exclusively electric vehicles, a budget of approx. €1,5 million:</p> <ul style="list-style-type: none">- L1 and L2 (mopeds) incentive of €250- L3 - L7 (motorcycles and quadricycles) incentive of €500- M1 (passenger vehicle) and N1 (cargo vehicles) incentive of €5000- Incentives for taxi associations of €8000 for are fully electric, hybrid or compressed natural gas powered, or meet at least the Euro 6 standard in terms of exhaust gas emissions.

Tax benefits and other incentives

Country	Registration tax benefits	Ownership tax benefits	Company tax benefits	VAT benefits	Other financial benefits	AF infrastructure incentives	Local incentives
Hungary	Vehicles with green license plates—classified as 5E (100% electric), 5N (PHEV), 5P (electric ≥50 km range), or 5Z (zero emission) - are exempt from registration tax. From 2025, hybrids and PHEVs are no longer exempt. For instance, regular hybrids now pay around €209 in registration tax.	Green plate vehicles are exempt from both annual vehicle tax and property transfer tax. Other vehicles are taxed based on engine power and vehicle age. From 2025, PHEVs lose their exemption from vehicle tax.	BEVs used for business purposes are exempt from company car tax. Costs related to purchasing and installing electric charging infrastructure are deductible from corporate tax, promoting investment in workplace BEV support.	BEVs follow standard VAT rules. Businesses may deduct 50% of VAT on operating costs. Foreign companies may also recover VAT on BEV-related expenses, subject to reciprocity and EU regulations.	Since 1 January 2017, companies investing in energy efficiency assets, including EV chargers, benefit from a corporate tax credit: Applicable for 6 tax years Cap: 70% of the total tax due, max €15 million Eligible under differentiated conditions based on company size and location This credit is not classified as de minimis aid.	Hungary's national EV charging network is expanding with a €72 million programme (28 billion HUF), focused on underserved rural areas (“white spots”). Key elements: Over 100 public charging points to be installed outside Budapest Integration of solar panels and battery storage encouraged Funding: €250,000 to €10 million per project (HUF 100M–4B) Low-interest loans (≤15 years), with 10% self-financing required Support intensity: 65% for micro/small, 55% for medium, and 35% for large enterprises	Most municipalities offer free public parking for green plate vehicles. However, since 2023, a number of cities have started phasing out this benefit.
Poland	BEVs are exempt from Poland's registration tax and excise duty , both of which apply to internal combustion engine vehicles. These exemptions remain valid until the end of 2029.	BEVs benefit from favourable tax depreciation limits in Poland, depending on their emission profile. The depreciation ceiling is set at approximately €50,000 for battery electric vehicles (BEVs) and fuel cell electric vehicles (FCEVs), €33,300 for vehicles emitting 0–50 g CO ₂ /km, and €22,200 for vehicles emitting more than 50 g CO ₂ /km.	Companies can benefit from increased depreciation limits for BEVs (up to approximately €50,000). Additional business-related incentives may apply through VAT reclaim and exemption of received subsidies from taxable income.	Businesses are allowed to reclaim the full 23% VAT on the purchase of BEVs used for commercial purposes. Updates to VAT eligibility rules are expected later in 2025.	Subsidies received for the purchase of BEVs are exempt from income tax. In some cities, public charging stations offer free or discounted electricity for electric vehicles.	Poland's national infrastructure incentive focus is currently linked to public transport electrification through the “Mój elektryczny autobus” programme. Support includes co-funding for charging stations used by municipal electric bus fleets. Additional private and municipal charging initiatives may be implemented through regional programmes.	Bus lane access: BEVs can use bus lanes in several cities, an incentive valid through 2025. Designated EV parking: Special spaces are available in many municipal lots. Clean Transport Zones (SCT): BEVs have unrestricted access to SCTs, which are limited to zero- and low-emission vehicles.
Czech Republik	BEVs and FCEVs (emitting ≤ 50 g CO₂/km) are exempt from registration fees if they are registered with a special “EL” license plate.	' Road tax exemption for BEVs and HEVs. Toll exemption for BEVs, FCEVs, and vehicles with ≤ 50 g CO₂/km. Accelerated depreciation (BEVs and PHEVs) and reduced depreciation period for home/public chargers.	Road tax exemption applies to all alternatively powered vehicles (BEVs, FCEVs, CNG, LPG, etc.) BEVs used for private purposes enjoy a reduced tax base (0.5–1%) No benefit-in-kind taxation on BEVs or electricity provided by employers.	n/a	BEVs, FCEVs and vehicles with alternative powertrains (electric or hydrogen) with CO2 emissions up to 50g/km have been exempt from motorway tolls since 1 January 2020.	Subsidy of CZK 30,000 (~ €1,200) for private individuals to install home chargers (non-commercial use only).	Free parking in Prague's blue zones for residents and people working in the city. Not applicable to visitors.
Slovakia	BEVs pay lower registration tax rates (2–5%) compared to 8% for ICEs.	BEVs pay 0% annual road tax. Hybrids and PHEVs get up to 50% tax reduction.	From 1 January 2025, the benefit-in-kind (BIK) tax for employees using BEVs for private purposes is reduced from 1% to 0.5% of vehicle value/month. Charging at home for company BEVs is tax-deductible and reimbursable tax-free under certain conditions. BEVs remain in accelerated depreciation group “0” (2 years).	No VAT exemptions or deductions specific to BEVs.	Free or discounted parking in some cities. Low-emission zones may favor BEVs (enabled by Air Protection Act).	Government continues to invest in public charging infrastructure.	Municipalities can implement low-emission zones and may introduce local parking privileges or charger support.
Serbia	n/a	Exemption from tax on the use of motor vehicles for owners of electric and/or hybrid motor vehicles.	n/a	n/a	Owners of older diesel cars in Serbia are encouraged to recycle their vehicles and receive state subsidies to purchase newer or used Euro 6 standard cars. - €2,100 for standard cars. - €2,500 for light commercial vehicles. - €2,900 for buses. This initiative is part of the Air Protection Program in Serbia.	n/a	n/a

Concluding remarks



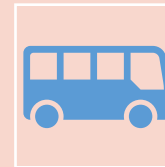
Poland and Hungary lead with comprehensive EHV support, combining **financial incentives, tax relief, and infrastructure investment**.



Czech Republic and Slovakia lack direct purchase subsidies but offer **partial tax and infrastructure support**, signaling potential for future expansion.



Serbia provides targeted incentives (scrappage, EVs, taxi fleets), but lacks structural fiscal tools and widespread infrastructure support.



Coordination across national and local levels varies widely - local benefits like free parking or bus lane access are inconsistently applied.

Policy Implications

Broaden

Broaden Eligibility and Target Groups: Expand access to subsidies beyond companies (e.g. Hungary) and include low-income and family-based incentives (as in Poland).

Integrate

Integrate Fiscal Tools: Combine purchase subsidies with tax exemptions, VAT recovery, and depreciation benefits to improve cost-effectiveness for consumers and businesses.

Scale

Scale Infrastructure Investment: Encourage multi-level co-funding models for public and private charging networks—especially in underserved areas.

Link

Link EV support to public transport and fleet electrification (e.g. Poland's "electric bus" model) for faster impact and visibility.

Develop

Develop Clean Mobility Zones and Local Incentives: Promote bus lane access, parking privileges, and low-emission zones to enhance local adoption and public visibility.

Enhance

Enhance Regional Alignment: Cross-border dialogue in CEE can help harmonize incentive frameworks, reduce policy fragmentation, and support EV supply chain development.



SHIFT TO ELECTRIC CAR PRODUCTION: NATIONAL STRATEGIES IN CENTRAL AND EASTERN EUROPE

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• supported by

• Visegrad Fund

• •

About the project

A joint project involving Czech, Polish, Slovak, Serbian and Hungarian researchers.

THANK YOU FOR YOUR ATTENTION!

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