


Report to the Federal Parliament

Social contributions on company cars and mobility budget for employees: Follow-up audit and evaluation of the social policy



As a follow-up to its first audit carried out in 2014 on the social contribution on company cars (known as the “CO₂ contribution”), the Belgian Court of Audit re-examined what measures the National Social Security Office (NSSO) has implemented to ensure that this contribution is collected correctly. It also extended the scope of the audit to include the evaluation of the social policy relating to these cars and the special contribution on the mobility budget (annual budget allocated by employers to their employees to encourage more environmentally-friendly modes of transport).

The Court found that the same risks exist as those identified in its first audit. The NSSO is unable to ensure that all cars subject to the contribution have been declared. Nor does the NSSO have all the information necessary to verify the accuracy of the declared CO₂ contributions, and the quality of its own data needs to be improved.

In addition, the Court observed that the number of company cars has been increasing since 2008 and that the mobility budget is being used marginally. The electrification of the company car fleet has made it possible to reduce the negative externalities linked to CO₂ emissions, but other negative externalities remain, such as road traffic congestion and fine particles emissions.

One of the reasons for the success of company cars is the difference in amounts to be paid by the employer between the system of contributions to which these cars are subject and the system of ordinary employer contributions. The Court estimated that the difference between the revenues from the CO₂ contribution and those from ordinary employer contributions that would be due on the salary equivalent of company cars will exceed 1 billion euros by 2026.

The Court recommended that the NSSO uses the data put at its disposal by law to better identify the employers concerned by the CO₂ contribution and that the NSSO reviews the procedures for employer’s declaration to better collect these contributions. The Court considered that, under unchanged policy, the provision of a company car only within the

mobility budget, which is governed by anti-abuse and transparency measures, would make it possible to better achieve the legislator's various objectives. Finally, in order to strengthen solidarity and equity between employees in the social security system, the Court considered that the method for calculating the contribution should also take into account the value of the salary advantage granted.