

Research on preferential tax policies for new energy automobile industry under the background of reduction of taxes and fees

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Keywords: new energy industry, tax preference, tax effect

Abstract: Against the background of "tax and fee reduction", this article takes the new energy vehicle industry as an object, and from the perspective of finance and taxation, understands the tax burden and preferential tax policies of the new energy vehicle industry. And analyze the problems existing in the development of the new energy vehicle industry. Finally, based on the supportive effect of tax preferential policies on the new energy industry, the reference opinions for the future of the new energy industry are put forward.

1. Introduction

1.1 Research Background

New energy vehicles refer to the use of unconventional vehicle fuel as a power source, which has the advantages of low pollution and sustainability. With the rapid development of China's economy, China has become the second largest economy in the world economy. The huge energy consumption makes the problem of energy supply plague the current development of China's economy.

According to the latest economic performance of the automotive industry in 2019 released by the China Automobile Industry Association, China's auto production and sales completed 25.721 million and 25.769 million units, respectively, down 7.5% and 8.2% year-on-year. At the same time, it also brings problems such as environmental pollution and energy shortage. At present, China's economic development has entered a stage of high-quality development. More attention is paid to the quality of economic development. The new energy vehicle industry is of great significance for the high-quality development of the economy and can promote the upgrading of energy and industries. In the context of "tax and fee reduction", the leadership of the central government and governments at all levels has created a favorable fiscal and taxation policy environment for the development of the new energy vehicle industry.

1.2 Research purpose

Preferential taxation policies are essential to promote the development of the new energy vehicle industry. This article first introduces the current development status of the new energy vehicle industry, and then analyzes the corresponding preferential tax policies from two aspects of new energy vehicle sellers and consumers, and further analyzes the current problems in the new energy vehicle industry. Finally, objectively evaluate the important guiding significance of the incentive effect of tax incentives for the new energy industry. And put forward corresponding suggestions for the future development of the new energy industry.

2. Development Status of New Energy Vehicle Industry

Since 2015, China's new energy vehicle production and sales have increased significantly, and the technical level of the new energy industry has improved significantly. According to the data of China Automobile Industry Association, the sales of new energy vehicles in 2015 were 331,100 units, an

increase of 3.4 times year-on-year. Among them, the sales of pure electric vehicles was 247,500 units, an increase of 5.5 times year-on-year. In 2016, the sales of new energy vehicles was 0.507 million, a year-on-year increase of 53%. Among them, the sales of pure electric vehicles was 409 thousand, a year-on-year increase of 65.1%. In 2017, sales of new energy vehicles were 777,000, a year-on-year increase of 53.3%. Among them, the sales of pure electric vehicles was 652,000, a year-on-year increase of 59.6%. In 2018, the sales of new energy vehicles was 1,256,200, a year-on-year increase of 61.7%. Among them, the sales of pure electric vehicles was 983,700 units, a year-on-year increase of 50.9%. New energy vehicle sales in 2019 were 1,260,600, a year-on-year decrease of 4.0%. Among them, the sales of pure electric vehicles was 972,000, a year-on-year decrease of 1.2%. In 2019, new energy vehicles were affected by the subsidy decline, and sales volume showed a slight decline. But overall it still occupies a high position. According to data from the Ministry of Public Security, the number of new energy vehicles in the country in 2019 reached 3.81 million, accounting for 1.46% of the total number of vehicles. It can be seen that the proportion of new energy vehicles is still small.

Table 1. China new energy vehicle production and sales data from 2011 to 2019 (10,000 units)

Years	New energy vehicle output	New energy vehicle sales	Production of pure electric vehicles	Sales of pure electric vehicles
2011	0.84	0.82	0.57	0.56
2012	1.26	1.28	1.12	1.14
2013	1.75	1.76	1.42	1.46
2014	7.85	7.48	4.86	4.50
2015	34.05	33.11	25.46	24.75
2016	51.60	50.70	41.70	40.90
2017	79.40	77.70	66.60	65.20
2018	127.15	125.62	98.56	98.37
2019	124.20	120.6	102.00	97.20

Data source: China Automobile Industry Association

3. Current status and problems of current tax incentives

3.1 Current preferential tax policies

With the continuous development of China's automobile manufacturing industry, the demand for energy continues to increase, but it also faces problems such as resource exhaustion and environmental pollution. The new energy vehicle industry is gradually emerging, and many cities have taken the lead in replacing traditional taxis and buses with electric taxis and buses. Among them, Taiyuan, an important heavy chemical and energy base in China, replaced all 8292 taxis in the main urban area with pure electric vehicles at the end of 2016, becoming the first city in the country and the world to realize all taxis as pure electric vehicles. Constructing the "coal-electricity-vehicle" industrial chain development idea. After four years of development, electric taxis have become one of the characteristics of this central energy city in Taiyuan. The development of the electric taxi industry is inseparable from the strong support of government tax incentives and financial subsidies. The following analyzes the current preferential tax policies for the new energy vehicle industry from two aspects:

3.1.1 For new energy automobile enterprises, the following taxes are mainly involved:

VAT. The taxpayer self-produced and imported new energy vehicles need to pay value-added tax, the current tax rate is 13%; the value-added tax rebate policy is implemented. Sale tax. Currently, no consumption tax is levied on electric vehicles; no consumption tax is levied on lithium-ion batteries, nickel-metal hydride batteries, fuel cells, and the like. Corporate income tax. The tax rate used in high-tech industries is 15%; the R & D expenses are deducted by 175%.

3.1.2 Taxes mainly involved in new energy vehicle consumers:

Vehicle purchase tax: Regarding the purchase of public gas and electric vehicles by urban bus companies, the vehicle purchase tax is exempted. Vehicle and Vessel Tax The new vehicle is exempt from vehicle and vessel tax.

Because the central government allows local governments to formulate new energy vehicle promotion policies suitable for their own development according to their actual conditions, localities have successively formulated local new energy vehicle promotion policies, which has the significant characteristic of large differences in local policies.

3.2 Problems existing in the development of new energy automobile industry

New energy vehicle production enterprises face financial pressure. New energy vehicle companies continue to expand new energy vehicle products, but as the company's scale continues to expand and output continues to increase, the company's funding pressure is gradually increasing.

In view of the current status of the development of the new energy vehicle industry, the government encourages its development mainly through direct subsidies. The price sold to consumers is based on the price after deducting the subsidy. The company can only apply for subsidies after driving a certain number of kilometers for cars sold to legal entities. In this way, the subsidy price has been given to consumers, but the subsidy funds are not yet available. Fully arrived, to a certain extent, increasing the financial pressure of the enterprise.

At the end of 2019, the State Administration of Taxation issued the “Announcement on the Cancellation of VAT Collection and Management Issues such as the Time Limit for the Certification and Confirmation of VAT Deduction Vouchers”, in which Article 7 stipulates that the financial subsidy income obtained by taxpayers and their sales of goods, services and services If the income or amount of intangible assets or real property is directly linked, VAT shall be calculated and paid in accordance with regulations. The financial subsidy income obtained by the taxpayer in other circumstances shall not be classified as VAT taxable income and shall not be subject to VAT. The state subsidies previously received by new energy vehicle companies are linked to the number of vehicles sold and capacity. If classified according to the announcement, the financial subsidy income obtained by new energy vehicles will also be subject to value added tax. This is bound to increase the tax revenue of new energy vehicle companies.

4. Impact of preferential tax policies on the new energy industry

Good tax preferential policies are conducive to actively creating an innovative and scientific research environment. It can effectively activate the elements of scientific and technological resources, encourage enterprises to enhance the effectiveness of scientific and technological innovation investment and resource allocation, the effective connection of various links in the innovation chain, promote the effective combination of the innovation chain and the industrial chain, and provide strong technical support for industrial development.

Good tax incentives are conducive to the continuous improvement of the new energy industry structure. Promoting the development of energy bases, realizing the transformation of energy structure, energy innovation, and scientific and technological progress are of great significance for leading the country's low-carbon energy development. Able to achieve intensive rapid development of new energy vehicles, new materials, new energy and other emerging industries. Accelerate the pace of energy technology innovation, and make breakthroughs in intelligent coal mining, clean and efficient utilization, and smart energy technology breakthroughs. Gradually realize an energy consumption structure that is based on clean energy and supplemented by fossil energy.

5. Suggestions on supporting tax policies for the new energy vehicle industry in the future

It is still necessary to increase tax incentives for new energy automobile companies in the research and development process, and encourage technological innovation in enterprises. For the

value-added tax of new energy vehicle financial subsidies, the state can reduce the value-added tax rate accordingly or not levy it to achieve the purpose of financial subsidies. The development of new energy vehicles is a long and arduous process. We should still maintain an optimistic attitude: the state can hardly achieve the ideal goal by relying only on incentives from tax incentives. It also needs to continuously improve other corresponding fiscal and financial policies. The long-term development of the new energy industry. At the same time, new energy enterprises must also actively respond to the corresponding tax policies of the country, take the opportunity of the world trend of low-carbon energy development, seize the opportunities of the energy revolution, make full use of tax and fee reduction policies, increase investment in scientific research, and improve enterprises. Achieve technological breakthroughs as soon as possible to advance the energy revolution.

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