

UK scraps subsidies for electric plug-in cars

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Britain's Department for Transport said it will end the current £1,500 (\$1,800) subsidy for buyers of new plug-in cars as it focuses on other types of electric vehicles, such as taxis and trucks.

Britain on Tuesday axed its £1,500 (\$1,800) subsidy for buyers of new plug-in cars as it focuses on other types of electric vehicles, but the news drew anger from the auto sector.

"The government is today closing the plug-in car grant scheme to new orders after successfully kickstarting the UK's electric car revolution," the Department for Transport (DfT) said in a statement.

The grant was launched in 2011 to help encourage Britons to ditch high-polluting diesel and petrol cars.

It has since supported the sale of almost half a million electric cars, the DfT added, stressing that the [subsidy](#) was always a "temporary" policy.

Sales of fully [electric cars](#) rocketed from less than 1,000 in 2011 to almost 100,000 vehicles in the first five months of this year alone.

However, the government is now switching its focus to offer subsidies on sales of new plug-in electric taxis, motorcycles, vans, trucks and wheelchair-accessible vehicles.

Britain plans to ban new sales of diesel and petrol cars in the UK from 2030, as part of its goal to reach [net zero carbon emissions](#) by 2050.

Tuesday's announcement drew stark criticism from industry body the Society of Motor Manufacturers & Traders (SMMT).

"The decision to scrap the plug-in car grant sends the wrong message to motorists and to an industry which remains committed to government's net zero ambition," said SMMT boss Mike Hawes.

"Whilst we welcome [government](#)'s continued support for new electric van, taxi and adapted [vehicle](#) buyers, we are now the only major European market to have zero upfront purchase incentives for EV car buyers."

Britain's automobile sector had stalled last year on pandemic fallout

including a semiconductor shortage.

However, greener electric vehicles now account for one in six new car sales.

That rises to just over half of all new car sales, if [hybrid vehicles](#) are included.

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