

4 January 2024

Australians smash electric vehicles purchase records in 2023

The electric vehicle (EV) discount, together with increased new supply and consumer interest, have been instrumental in breaking annual sales records for EVs, according to the National Automotive Leasing and Salary Packaging Association (NALSPA).

Federal Chamber of Automotive Industries data released today shows there were 98,217 new BEV and PHEV passenger and SUV sales in Australia in 2023 (11.03% of total passenger vehicle and SUV sales), up from just 39,294 (5.05% of total passenger vehicle and SUV sales) the year before.

NALSPA chief executive Rohan Martin said the federal government's EV Fringe Benefits Tax (FBT) exemption has been a game-changer for everyday working Australians considering the switch to zero or low emissions cars.

"The year 2023 witnessed a significant surge in new EV annual sales in Australia, with the FBT exemption being a crucial catalyst amongst other drivers, including improved new vehicle supply" Mr Martin said.

"More Australians than ever before are purchasing an electric vehicle. They are cheaper to run compared to petrol cars and through government discounts and novated leasing options they have never been more affordable.

"We remain optimistic electric vehicle sales will continue to accelerate this year as awareness about the benefits of EVs and the EV FBT exemption grows, and supply continues to improve. Improved supply was a key driver behind Australia's record total of 1.2 million new car sales, including light and heavy commercial vehicles, in 2023, up 12.5% from 2022.

"Zero and low emissions cars will become a more attractive option for consumers. as new and more affordable BEV and PHEV models are released on our shores in 2024 and beyond.

"The EV FBT policy is among a range of factors helping Australia gradually increase its EV uptake in line with other parts of the world - albeit we still have a way to go in the orderly transition to zero and low emissions cars."

NALSPA data of the **top five BEV and PHEV** vehicles purchased through novated leases since the commencement of the EV FBT exemption shows some of the more affordable models are proving to be popular.

Top BEVs via novated leases	Top PHEVs via novated leases
1. Model Y (Tesla)	1. HS + EV or HS Plus EV (MG)
2. Model 3 (Tesla)	2. Eclipse Cross (Mitsubishi)
3. Atto 3 (BYD)	3. CX-60 (Mazda)
4. ZS EV (MG)	4. Outlander (Mitsubishi)
5. XC40 (Volvo)	5. Sorento (Kia)

Source: NALSPA, data to 30 September 2023

“In the past year we’ve seen some of the more affordable EV models grow in popularity. More consumer choice combined with the significant cost savings achieved through the EV FBT exemption, and the lower running costs associated with such vehicles, has empowered many more everyday working Australians to consider and own an EV.”

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