



[Auto Physical Damage](#)

# Electric Vehicle Collision Claims Rebound as Expiring U.S. Government Tax Incentives Drive Record Sales

December 11, 2025  
3 MIN READ

**SAN DIEGO, Calif.**—[Mitchell](#), a leader in the development of innovative auto physical damage technology solutions, today announced the availability of its latest [Plugged-In: EV Collision Insights](#) report. The Q3 2025 edition highlights a dramatic reversal in U.S. collision claims frequency for repairable battery electric vehicles (BEVs), which dropped for the first time in Q2 before rebounding last quarter to an all-time high of 3.21% just as expiring government tax incentives prompted record-breaking sales. BEV claims also jumped to 4.91% in Canada, a year-over-year increase of 24%.

“We’re witnessing the immediate impact of policy changes on BEV adoption and collision claim trends in both the U.S. and Canada,” said Ryan Mandell, Mitchell’s vice president of strategy and market intelligence. “With recent political and trade developments producing uncertainty, many automakers are now diversifying their portfolios to accommodate more hybrid and gasoline-powered alternatives as they reassess their BEV investments and growth targets. This gradual, geographically uneven transition to widespread vehicle electrification will require auto insurers and collision repairers to adjust underwriting strategies, business processes and workforce training to support a wider mix of drivetrains.”

The Q3 Plugged-In: EV Collision Insights report also reveals:

- **Claims Severity:** Average severity for repairable BEVs dropped to \$6,185 in the U.S. and \$6,954 (CAD) in Canada, a decrease of 2.4% and 1.5% respectively from Q2. In both countries, automobiles with an internal combustion engine (ICE) had the lowest average severity followed by mild hybrid electric vehicles (MHEVs) and plug-in hybrid electric vehicles (PHEVs).
- **Claims Frequency by Region:** Regions with the most BEVs per capita also continue to have the highest number of BEV collision claims. Last quarter, 8.74% of all repairable vehicle claims in British Columbia were for BEVs. Quebec came in a close second at 8.37% and California was third at 6.50%.
- **Total Loss Market Values:** Total loss market values averaged \$29,827 for BEVs, a decrease of approximately 1% from Q2, compared with \$13,979 for ICE automobiles.
- **Parts Utilization:** Without a robust alternate parts industry for BEVs, OEM parts are most frequently used in BEV collision repairs. On estimates, 85% of the parts dollars for repairable vehicles in Q3 were designated for OEM parts—a slight increase over the previous quarter—versus 62% for ICE alternatives.

Visit the [Mitchell website](#) to download the full report or access previous issues and subscribe to future publications from [mitchell.com/plugged-in](https://mitchell.com/plugged-in).

#### About Mitchell, an Enlyte Company

Mitchell International, Inc. is a leader in the development of innovative auto physical damage technology solutions. Combining decades of experience with an open platform, proprietary data and intelligent, cloud-first applications, we help insurance carriers, collision repairers and vehicle manufacturers protect dreams and restore lives. Each day, more than 20,000 organizations turn to Mitchell for support efficiently managing claims and safely returning consumers to the road. For more information, follow Mitchell on [Facebook](#) or [LinkedIn](#).



©2022 Mitchell International, Inc. and Genex Services, LLC. All rights reserved.

mitchell | genex | coventry