



ECONOMIC AND COMMERCIAL WING

Import of Vehicles

1. The Trade Policy and Customs rules allow import of vehicles into Pakistan. Both new and used vehicles can be imported.
2. New vehicles can be imported freely by any one, under the generally applicable Import procedures and requirements, like any other goods, on payment of applicable duty and taxes.
3. Used vehicles can be imported only by Pakistani Nationals under any of the following three schemes (certain restrictions and conditions apply):

Gift

Transfer of Residence (TOR)

Personal Baggage

4. The terms and conditions applicable for the import of vehicles under the above mentioned three schemes are tabled below:

S.No	Requirements	Application terms and conditions		
		Transfer of Residence Scheme	Gift Scheme	Personal Baggage Scheme
A	Eligibility to import	Once in two years (700 days after the date of bill of Entry/ Goods declaration of an earlier import under any of the three schemes)		
B	Non Eligibility to import	Any stolen vehicles or with chassis tampered or having fake and forge documents		
C	Type of vehicle that can be imported	Cars meant for transport of passengers, busses, vans, trucks & pickups including 4X4 vehicles Agricultural tractors, bulldozers, laser land levelers and combined harvesters Motor cycles and scooters (70% duty)	Cars meant for transport of passengers, busses, vans, trucks & pickups including 4X4 vehicles Agricultural tractors, bulldozers, laser land levelers and combined harvesters	Cars meant for transport of passengers, busses, vans, trucks & pickups including 4X4 vehicles Agricultural tractors, bulldozers, laser land levelers and combined harvesters
D	Model of the vehicle	Not more than three years old model (year of manufacturer)	Not more than three years old model (year of manufacturer)	Not more than three years old model (year of manufacturer)

E	Importer's period of stay out-side Pakistan	A minimum of 700 days stay out-side Pakistan during the immediately preceding three years from the date of application	A minimum of 700 days stay out-side Pakistan during the immediately preceding three years from the date of application	A minimum of 180 days stay out side during the immediately preceding seven months from the date of application
F	Donee (To whom the vehicles can be gifted)	Not applicable	A family member normally resident in Pakistan i.e.: i. By parents to children (adult) ii. By children (adult) to parents iii. By either of the spouse iv. By sister to sister or brother v. By brother to brother or sister	Not applicable
G	Procedure and documents etc.	i. Goods declaration in the prescribed form as per Annexure I ii. Purchase receipt of the vehicle iii. Bill of lading, if applicable, dated not later than 120 days from the arrival of the applicant iv. Attested photo copy of the passport or Pakistan origin card (Original will be required at the time of clearance) v. Valid driving license of the applicant	i. Goods declaration in the prescribed form as per Annexure I ii. Purchase receipt of the vehicle iii. Bill of lading showing name and address of the consignee iv. Attested photo copy of the passport of Pakistan origin card of the donor v. CNIC of the donee	i. Goods declaration in the prescribed form as per Annexure I ii. Purchase receipt of the vehicle iii. Bill of lading, if applicable, dated not later than 120 days from the arrival of the applicant iv. Attested photo copy of the passport or Pakistan origin card (Original will be required at the time of clearance)

		vi. Acknowledged copy of the declaration given to the customs on arrival by the applicant		
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5. Two different regimes are en-force for levy of the taxes payable on import of vehicles, under the above schemes. In this facilitation material, these are referred as **Special Regime** and **Normal Regime**.

Special Regime covers:

Certain specified used vehicles imported under the aforesaid three schemes.

Normal Regime covers:

New vehicles imported under the aforesaid three schemes; Used vehicles imported under the aforesaid three schemes but are not covered under the special regime; and Regular import of new vehicles

SPECIAL REGIME

6. Under the “Special Regime” the taxes are levied on the basis of engine capacity, irrespective of the value of the vehicle and the optional or additional accessories. The accumulated amount of taxes, covering Custom Duty, Sales Tax, Income Tax and Capital Value Tax based on engine capacity, on import of the used vehicles meant for transport of passengers, are tabled below:

Type of vehicle (Used vehicles meant for transport of passengers)	Taxes
Upto 800 CC (Asian makes only)	US\$ 4,400
Upto 800 CC (Other than Asian makes)	US\$ 6,600
From 801 CC to 1000 CC	US\$ 5,500
From 1001 CC to 1300 CC	US\$ 11,000
From 1301 CC to 1500 CC	US\$ 15,400
From 1501 CC to 1600 CC	US\$ 18,700
From 1601 CC to 1800 CC Excluding jeeps (Asian makes only)	US\$ 23,100

For enquiries about applicable duties and taxes on vehicles other than those meant for transport of passengers, please contact FBR’s Help Line Centre.

7. The amount of taxes stated in Table – II, above, are reduced on account of depreciation in value of the vehicle at the rate of 1% for each completed month

Subject to a maximum of 33%. Each completed month for depreciation is calculated from the date of first registration of the vehicle abroad to the date of entry into Pakistan.

8. The amount of taxes stated in Table – II above, are payable in US Dollars or equivalent amount in Pak Rupees converted at the rates prevailing at the time of making the payment of the taxes.

9. The following example would explain how the amount of taxes payable is determined under the above mentioned Special Regime:

Particulars	Example-i Transfer of Residence	Example-ii Gift Scheme	Example-iii Personal Baggage
Engine capacity	800 CC (Asian make)	1299 CC (Any make)	1700 CC (Asian make)
Date of registration abroad	1 st Jan, 2005	1 st July, 2006	1 st May 2007
Date of entry into Pakistan	10 th July, 2007	10 th July, 2007	10 th July, 2007
Period between first registration and entry into Pakistan	30 Months and 10 days	12 Months and 10 days	02 Months and 10 days
Completed months	30 Months	12 Months	02 Months
Depreciation 1% per month	30%	12%	2%
Admissible depreciation (restricted to 32%)	32%	12%	2%
Full amount of taxes	US\$ 4,000	US\$ 10,000	US\$ 21,000
Reduction in taxes to the extent of the amount of depreciation	US\$ 1200 (30% of US \$ 4,000)	US\$ 1200 (12% of US \$ 10,000)	US\$ 420 (2% of US \$ 21,000)
Actual amount of taxes payable	US \$ 28000	US \$ 8800	US \$ 20,580

NORMAL REGIME

10. Under the “Normal Regime” the taxes are levied on the basis of both engine Capacity and value of the vehicle.

11. Normal regime covers the import of following categories of vehicles:

New vehicles imported under the aforesaid three schemes;

Used vehicles imported under the aforesaid three schemes but are not covered under the special regime; and Regular import of new vehicles.

12. The rates of taxes under the normal regime on import of vehicles meant for transportation of passengers are tabled below:

Type of vehicle (meant for transport of passengers)	Customs Duty on Value Assessed (See Para 13 below)	Sales Tax on Duty paid value	Sales Income Tax on Sales Tax paid value	Special Federal Excise Duty on duty paid value
Used vehicles (Not covered under special regime)				
From 1601 CC to 1800 CC (Other than Asian makes)	75.00%	15.00%	5.00%	1.00%
From 1601 CC to 1800 CC (Jeeps)	75.00%	15.00%	5.00%	1.00%
From 1801 CC and above	90.00%	15.00%	5.00%	1.00%
New Cars (Regular import or under aforesaid three schemes)				
Upto 800 CC	50.00%	15.00%	5.00%	1.00%
From 801 CC to 1000 CC	55.00%	15.00%	5.00%	1.00%
From 1001 CC to 1300 CC	60.00%	15.00%	5.00%	1.00%
From 1301 CC to 1500 CC	60.00%	15.00%	5.00%	1.00%
From 1501 CC to 1600 CC	75.00%	15.00%	5.00%	1.00%
From 1601 CC to 1800 CC	75.00%	15.00%	5.00%	1.00%
From 1801 CC and above	90.00%	15.00%	5.00%	1.00%

Motorized wheel chair – 5% duty

13. The value of a vehicle for the purpose of levy of above taxes is determined as under:
- a. Export model - FOB value at the time of its manufacture, as certified by the manufacturer or its authorized local agent.
 - b. Domestic model - FOB value for similar export model certified by the manufacturer or its authorized agent, plus 5% of the C&F value.
 - c. In addition, the followings incidental charges and costs are added:
 - i. Value of optional / additional accessories;
 - ii. Local agent's commission;
 - iii. Ocean/air freight is calculated from the country where originally manufactured;
 - iv. Insurance in the country where manufactured or where first registered (in case of non-availability of insurance memo an amount equivalent to 1% of C&F value);
 - v. Landing charges at the rate of 1% of the CIF value;
 - vi. Other incidental charges;

14. In case of used vehicles, the value determined as above, is reduced on account of depreciation of the vehicle at the rate of 1% for each completed month subject to a maximum of 50%. Each completed month for depreciation is calculated from the date of first registration abroad of the vehicle to the date of entry into Pakistan.

Certificate

(To be issued by the Pakistan Diplomatic Mission)

1. This is to certify that from the documents and evidence produced by Mr/Mrs/Miss..... his/her/total income by legitimate earnings during his/her stay in.....

From..... To has been calculated as under:-

(i) Gross income.....(in words).....

.....

(ii) Net savings after deduction of taxes, board and lodging expenses @ \$ 10/5 per day fordays.....

(in words).....

.....

2. The documents on which this certificate is based are annexed herewith for presentation to the Authority along with the certificate at the time of applying for issue of import permission.

3. Also certified that it has been made clear to the applicant that the issue of the certificate does not in any way imply any commitment on the part of the Authority to issue the import permission, which shall be governed by the rules and Regulations in force at the time of filling of complete application with them.

4. The certificate is valid for six months for presentation to the Authority along with applications on Annex-III and other documents prescribed therein.

Signature.....

Date..... (Name of the official in block letters)

Designation

Place.....Seal of the Mission.

GIFT UNDERTAKING

[See paragraph 1(d) Appendix- 'E']

(To be executed by a Pakistani national for the purpose of gift of motor car to a member of his family in Pakistan)

I.....Son/daughter of..... resident.....of.....declare as under:-

(i) that I proceeded abroad on and I have completed two years stay abroad on.....

(ii) that I propose to send a car as gift to my..... (state relationship) who is living permanently in Pakistan at the following address:- (Name).....

(Full address).....

(Age) (in case of son/daughter).

(iii) that I have not imported a car for myself or for any member of my family during the past two years.

(iv) that I shall not import another car within a period of two years even if I return within this period on retirement or transfer;

(v) that the car is not being gifted to a minor;

(vi) Details of my Passport are as under;

No.Date of issue.....

Place of issue.....issued by.....

(vii) that the car will be/has been purchased out of my own earning outside Pakistan.

Signature

Name

(in block letters)

(Full Address(abroad).....

Dated.....

Certified that the above declaration/undertaking has been executed and signed by Mr./Mrs./Miss. who is residing at the following address, before me:-

.....2.

The statement at (i), (iii), (vi) and (vii) have been verified by me. The undersigned has further verified that the applicant did not visit Pakistan for a period of more than 60 days at a time during the last two years. This certificate which is being issued in quadruplicate under the instructions of the Ministry of Commerce is valid for six months for presentation to the Authority along with application on Annex-III and other documents prescribed therein.

Place..... Signature.....

Date Name

Enclosures Seal of Pakistan Mission.....