

EV POLICY APPROVED RECOMMENDATIONS

Four Wheelers

A. Relevant to Revenue Division (Customs Wing):

- i. In CKD, EV specific parts to attract 1% CD, ACD 0%, RD 0%,
- ii. Automotive Development Policy (ADP 2016-21) rates of customs duty in CKD across the board (all players i.e. 10% for non-localized and 25% for localized parts in cars, LCVs, SUVs).
- iii. CBU import may be made at CD 25%, ACD 0%, RD 0%.
- iv. Other benefits recommended for EV policy (4 wheelers) are:
 - a. Duty free import of plant and machinery of EVs, 0% CD, ACD 0%, RD 0%,
 - b. Import of 100 CBUs per company @ 50% of the prevailing custom duties,
 - c. Import of EV Chargers to attract 1% CD, ACD 0%, RD 0%.

B. Relevant to Revenue Division (Inland Revenue Wing):

- i. EV specific parts, in CKD, to attract 0%VAT on imports,
- ii. Import of CKD in small cars/ SUVs with 50kwh battery or below and LCVs with 150kwh battery or below to attract:
 - a. Exemption of sales tax and VAT on imports and 1% sales tax on sales,
 - b. 1% WHT under Section 148 of Income Tax Ordinance.
 - c. GST and VAT on import stage to be exempted for such LCVs and Cars/SUVs.
- iii. CBU import may be made at 0% VAT on imports.
- iv. Exemption of EVs (4 wheelers) from FED.

C. Relevant to Other Departments:

- i. Provision of special window for car financing at 1+4% (State Bank of Pakistan).

D. Recommendation to Provincial governments:

- i. Exemption from Registration Fee and Annual Renewal.