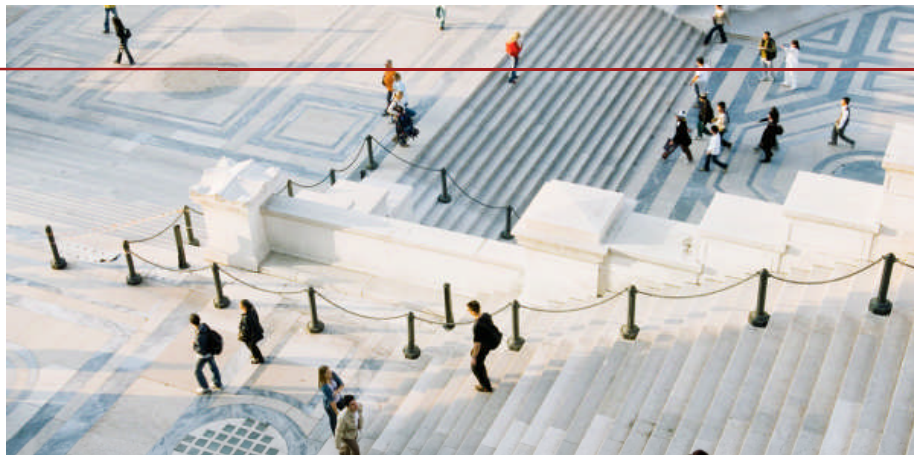


# Flash Report

Ukraine • Issue 34/2013 • 9 August 2013

## Utilisation fee on vehicles



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### *The vehicle utilisation fee law was officially published*

The vehicle utilisation fee law\* was officially published on 7 August 2013 and will come into force on 1 September 2013.

The utilisation fee will be paid upon:

- import of vehicles and car bodies (excluding car bodies imported for production purposes)
- sale of vehicles produced in Ukraine
- purchase of vehicles imported for diplomatic purposes.

Ukrainian producers may be exempted from the utilisation fee if they utilise their products themselves.

The rates of the utilisation fee depend on the vehicle type, whether it's new or used, its engine capacity and weight. The range of utilisation fee per vehicle can be the following:

- UAH 4,730 – 60,500 for cars;
- UAH 22,000 – 66,000 for car bodies;
- UAH 8,800 – 29,480 for buses and commercial vehicles.

The calculation of the utilisation fee for different vehicle types is provided on the next page.

Potentially, there are arguments that this law contradicts Ukraine's WTO obligations. Therefore, it is likely that the international community (e.g. WTO, EU, countries-exporters of cars) will be pushing Ukraine to cancel this law in the nearest future.

We will continue monitoring this issue and keep you updated on further developments in this area.

\* Law of Ukraine "On introduction amendments to the Tax Code on payment of ecological tax for utilisation of vehicles withdrawn from use and improvement of some tax provisions" No. 422-VII dated 4 July 2013

## *Utilisation fee per vehicle*

<b>Cars and car bodies</b>	<b>New, UAH</b>	<b>Used, UAH</b>
With electric engine	4,730	9,460
With petrol/diesel engine capacity:		
up to 1 litre	4,730	9,460
from 1 l to 2 l	7,370	14,740
from 2 l to 3 l	14,080	28,160
from 3 l to 3.5 l	19,085	38,170
over 3.5 l	30,250	60,500
Car bodies (excluding car bodies imported for production purposes)	22,000	66,000

<b>Buses and commercial vehicles with full weight</b>	<b>New, UAH</b>	<b>Used, UAH</b>
up to 2.5 tonnes	8,800	17,600
from 2.5 t to 3.5 t	9,900	19,800
from 3.5 t to 5 t	11,000	22,000
from 5 t to 8 t	12,100	24,200
over 8 t	14,740	29,480