



Newsletter

International Trade and customs Practice Group

Benefit for the import of electric vehicles

On September 3, 2020, the Ministry of the Economy published in the morning edition of the Federal Official Gazette (DOF) the "DECREE amending the Tariff Schedule of the General Law of Import and Export Duties," which came into force the day after its publication. It can be consulted [here](#).

This Decree introduced new tariff classifications to identify electric motor vehicles, establishing import duties ranging from 15% to 20%, depending on the type of vehicle. However, it temporarily exempted these duties, regardless of the country of origin, for three types of new electric vehicles: those for transporting ten or more passengers, light vehicles, and those intended for transporting goods. This exemption was valid until September 30, 2024.

Originally, a period of just over four years was determined with two objectives: i) to observe consumer preferences and ii) to guide the national industry towards the production of these types of vehicles, allowing consumers access to new clean transportation technologies.

The exemption from tariffs for these vehicles was intended to prevent these payments from discouraging the trade of electric vehicles, which help Mexico meet the commitment it made in 2016 through the Paris Agreement to reduce its greenhouse gas emissions by 2030, using the transportation sector as a key strategy.

Although, to date, the Mexican government has not made an official statement regarding whether this benefit will be renewed, various government incentives are currently available for consumers of these types of vehicles, such as preferential parking, exemption from paying vehicle taxes and emissions inspections, permission to drive every day due to their low gas emissions, and even tax deductions. These incentives could positively influence consumer preferences, thereby increasing demand and competition.

This Decree and the aforementioned government benefits represent a significant effort to encourage the adoption of electric vehicles. Although the continuity of these benefits remains uncertain, their impact on demand and competitiveness is evident as they promote a shift towards more sustainable transportation at the national level.

Our Foreign Trade and Customs practice group is at your service to discuss the effects of the Decree on your operations in greater detail, as well as to evaluate and implement actions in compliance with the new tariffs described above.

This content was prepared by Jose Alberto Campos-Vargas (jacampos@sanchezdevanny.com); Eduardo Sotelo-Cauduro (esotelo@sanchezdevanny.com), and Fernanda Sánchez-Castillo (fsanchez@sanchezdevanny.com).

Sánchez Devanny is a leading Mexican law firm that provides **full-service legal advice** both to Mexican and international clients.

We build enduring client relationships because we make every effort to understand our clients' businesses and expectations, to serve as an ally, and to provide **complete, accessible and personalized advice**.

Contact

Eduardo Sotelo-Cauduro
esotelo@sanchezdevanny.com

José Alberto Campos-Vargas
jacampos@sanchezdevanny.com

Juan Carlos Jiménez-Labora Mateos
jlabora@sanchezdevanny.com

Maria Luisa Mendoza-López
mmendoza@sanchezdevanny.com

Roberto Serralde-Rodríguez
rserralde@sanchezdevanny.com

México City:

Av. Paseo de las Palmas #525 Piso 6
Col. Lomas de Chapultepec, 11000
Ciudad de México
T. +52 (55) 5029 8500

Monterrey:

José Clemente Orozco #335 Piso 4
Despacho 401 Col. Valle Oriente, 66269
San Pedro Garza García N.L.
T. +52 (81) 8153 3900

Querétaro:

Av. Antea #1090 Piso 2 Int 206
Col. Jurica
Querétaro, Qro
T. +52 (442) 296 6400



www.sanchezdevanny.com

© Sánchez Devanny ® | Sánchez Devanny refers to Sánchez-Devanny Eserverri, S.C., a leading Mexican law firm that provides full-service legal advice both to Mexican and international clients.

This publication contains general information only and is just for informative purposes. Sánchez Devanny is not rendering legal advice or services by means of this publication. To obtain legal advice or services and before making any decision or taking any action that may affect your business you should consult a qualified professional advisor.

Sánchez Devanny provides legal services in the areas of Corporate and M&A; Corporate and Project Finance; International Trade and Customs; Real Estate, Infrastructure and Hospitality; Tax; Labor, Social Security and Immigration; Corporate Governance and Regulatory Compliance; Energy and Natural Resources; Environmental; Life Sciences; Intellectual Property, Entertainment and Sports Law; Litigation and Alternative Dispute Resolution; Antitrust; Capital Markets; Private Wealth Management and Estate Planning; Administrative Strategic Litigation and Data Privacy and Information Technology to both public and private clients, especially in the automotive, retail, pharmaceutical, manufacturing, real estate and energy industries among others.