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ROYAL GOVERNMENT OF BHUTAN
MINISTRY OF FINANCE
TASHICHHO DZONG



DRC/STD/ (Policy) 1/2010/ 4038
20th June, 2011

Public Notification

This is to inform the general public that the Sales Tax (ST) and Customs Duty (CD) rates mentioned below will apply with effect from 20th June 2011 on the following goods, as per the Tax Bill 2011 presented during the 7th session of the 1st Parliament. Accordingly, the relevant old rates published in the Bhutan Trade Classification Customs Tariff and Sales Tax Schedule (third edition 2007) will be replaced by the new rates with effect from 20th June 2011.

Sl.No	Type of goods	New Sales Tax Rate	New Customs Duty Rate
1.	Vehicles		
i	Up to 1500cc	20%	20%
li	1501 cc to 2500 cc	20%	25%
lii	2501 cc and above	20%	30%
iv	Electric/Hybrid vehicles	0%	0%
v	Motor Cycles with engine Capacity exceeding 250cc	20%	20%
vi	Bicycle	0%	0%
vii	Bicycle Tyres & Tubes	0%	0%
viii	Vehicles used for travelling on snow, golf cars..etc	20%	30%
2.	Alcohol	100%	100%
3.	Spare parts	5%	10%
4.	Packaged Juice of 250ml and below	30%	50%
5.	Precious metals (in forms of bars, ingots, biscuits, powder;)		
i	Gold	Nu.500 per 10 grams	Nu.500 per 10 grams
ii	Silver	Nu.2000 per kg	Nu.1000 per kg

The above goods shall be subject to the levy of the above mentioned sales tax (ST) and customs duty (CD) with effect from 20th June 2011, except for vehicles. In case of vehicles, the new tax rates shall be applicable only on vehicles ordered on or ~~after~~ 20th June 2011.



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Vehicles, for which order has been placed and advances paid to dealers before 20th June 2011, shall be subject to levy of sales tax (ST) and Customs duty(CD) at the old rates provided the following conditions are fulfilled by the buyers;

1. The date of the money receipt issued by the dealer for advance payment in confirmation to the order being placed shall be taken as the vehicle order date;
2. The original money receipt for advance order is submitted to the concerned RRCO;
3. The type of vehicle and the name of the purchaser confirm with the list already submitted by the dealers to the Department of Revenue & Customs;
4. The name and address of the buyer recorded in the money receipt issued by the dealer acknowledging the placement of order by the buyer and that of the invoice issued at the time of delivery of the vehicle are one and the same.
5. The buyers who do not fulfill the conditions in sl.no 1 to 4 shall be subject to the new tax rates.
6. Vehicles ordered (for stocking purpose) by the authorized dealers before 20th June 2011 shall be liable to pay the new rates.
7. Vehicles, for which orders have been placed on or after 20th June 2011, shall be subject to the new rates.


(Secretary)
Ministry of Finance

Copy to:

1. Hon'ble Secretary, Lhengye Zhungtshog, Tashichho Dzong for kind information.
2. Hon'ble Auditor General, Royal Audit Authority for kind information.
3. All Ministries and Government agencies for information.
4. The Director, Department of Revenue & Customs for information and implementation.
5. The Managing Director, BBS and Kuensel Corporation for public announcement.