

Customs & Trade in Israel

A Legal Newsletter

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New Amendment of the Regulations for Importers of Vehicles

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Background:

The Services and Profession's Licensing of the Vehicle Industry Law, 2016 regulates the various fields of the vehicle industry in Israel, including manufacture, import and trade of vehicles and transport products, maintenance services for vehicles, and vehicle appraisal.

This past June, amendments to the Services and Profession's Licensing of the Vehicle Industry Law, 2016 were passed, with the intent to ease various difficulties in the implementation of the law. The amendments focus on removing restraints from small importers importing used cars, buses, trucks etc.

Main Points of the Amendment:

In light of the difficulties in the implementation of the law since it came into effect in October 2016, various aspects of the law were amended, including (among others):

The limitation on the maximum distance traveled for a new vehicle for an import license will apply only for a passenger vehicle, a commercial vehicle up to 3.5 ton, and motorcycles, not all vehicles.

The list of vehicles small importers may import was expanded, so that they now can import any passenger vehicle, commercial vehicle, towed vehicle, motorcycle or mobile machine. The exception are passenger and commercial vehicles weighting over 3.5 tons, which may only be imported by a small importer if a direct importer imports vehicles of the same type and manufacturer.

A small importer may import a used vehicle, as long as no more than 12 months passed since its manufacture.

In order to ease the process for indirect importers and small importers which import vehicles under the "vehicle registered in a foreign country" category, the period between the registration date in the foreign country and the shipment to Israel was extended from 30 days to 90 days.

The restriction upon personal import of a vehicle for transportation of passengers or goods for pay only was canceled, so that personal import is now approved for any business use of the importer.

Licensed manufacturers of transport products will be considered as licensed traders in transport products, as it is understood that they manufacture the products for sale. It is therefore not justified to

force a manufacturer who received a manufacturing license to prove his eligibility for a trading license as well.

The above review is a summary. The information presented is for informative purposes only, and does not constitute legal advice.

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