

Renewable Energy: 2026 Budget Changes (1/2)

Sector / Sub-Vertical	Specific Item	Pre-2026 Position	Post-2026 Budget	Reference
Pre-Fabricated Cells & Boards	Lithium-ion Cells, Lithium Iron Phosphate Cells, Lithium Nickel Cobalt Aluminium Oxide Cells, Lithium Nickel Manganese Oxide Cells, Battery Pack PCBs	Cells were not distinctively segregated for generic pack assemblers at low-tier concessions.	Placed under a dedicated 15% Capped Customs Duty tier; 100% waiver on RD, SD, and VAT to foster localized pack configuration.	SRO No. 166-Ain/2026/21-Customs (Table-4: Localized Pack Assembly Componentry)
Legacy Battery Minerals & Oxides	Natural/Generic Graphite, Lead Oxide, Red Lead, Pure Lead	Eligible for 1% flat concessionary customs duty under broad battery schedule definitions.	0% flat concessionary customs duty	Repealed by SRO No. 166-Ain/2026/21-Customs (Expunged from SRO 194/2025)
Industrial Acids & Silicas	Hydrochloric Acid, Phosphoric Acid, Silicon Dioxide, Fume Silica/Colloidal Silica, Sodium Hydroxide	Eligible for 1% flat concessionary customs duty as generic production inputs.	0% flat concessionary customs duty	Repealed by SRO No. 166-Ain/2026/21-Customs (Expunged from SRO 194/2025)
Base Production Alloys & Liners	Tin Alloy, Pure Tin Anode/Solder Bar, Calcium Alloy, Antimony-Cadmium Alloys, AGM Separator, Metal Frame	Eligible for 1% flat concessionary customs duty under older legacy assembly provisions.	0% flat concessionary customs duty	Repealed by SRO No. 166-Ain/2026/21-Customs (Expunged from SRO 194/2025)
Renewable Energy — Solar	Solar PV Modules, Panels & Inverters	Scattered across generalized industrial electrical brackets. Attracted 15%–25% in combined Customs Duty (CD) and Regulatory Duty (RD). Subject to a minimum 2% or 5% Advance Tax (AT) cash trap at import points.	Unified flat 0% rate: 0% CD, 0% RD, 0% SD, 0% AT — removing import-stage working-capital cash blocks. One source flags a residual carve-out: a separate 2% Advance Income Tax (AIT) still applies at the port stage, so the 0% AT is not fully absolute in practice.	SRO No. 159-Ain/2026/

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Renewable Energy — Battery Storage	Battery Energy Storage Systems (BESS), Lithium Cells & Mounting Structures	Classified as commercial storage / generalized chemical hardware, drawing aggregate protectionist duties exceeding 30%; one source additionally cites up to 58.6% on structural rack/mounting configurations.	Zero-rated (0% aggregate tax) for BESS and associated structural items — conditioned on either valid SREDA technical clearance (general project-import layout) or import under an approved JVC project configuration loop (utility-scale JVC setups).	SRO No. 159-Ain/2026/
Renewable Energy — Corporate Incentives	Long-Term Corporate Income Tax (Corporate Level)	Standard progressive corporate tax scaling applied based on historical generation-volume / electricity-output schedules.	Guaranteed 0% Corporate Income Tax for all certified solar operators / qualifying generation profits through June 30, 2035, with one source additionally noting a 5% tax rebate for eligible end consumers.	SRO No-211-AIN/AIKOR-2/2026, Date: 08 June, 2026