

The Gringo's Guide to Driving and Vehicle Ownership in Guatemala

Introduction

You can explore a city on foot, but mobility is key if you want to explore a country and make it your home. In Guatemala, having a car or motorcycle changes everything. It lets you explore on your own terms, and it gives you the freedom to build a life here instead of just visiting.

This guide explains how vehicle ownership works here. It explains the basics and empowers you to make educated choices that can change the way you experience daily life here.

Paperwork

Buying a vehicle in Guatemala is straightforward. You don't need residency to buy or register a car or motorcycle. All you need is your passport and Guatemalan tax ID number (known as a NIT), which you can get for free in just a few minutes at the government tax office.

If you're buying new, the dealership takes care of almost everything. For cars, you'll usually have your plates in just a few days. For motorcycles, it takes about a month, but you can legally ride with a copy of the receipt.

When buying or selling a used vehicle, a paperwork helper (known as a tramitador) is hired to handle the transfer. When I sold an older motorcycle, the entire transfer cost about \$100, including the paperwork fees and the taxes. The cost for a newer, more valuable vehicle would be higher because the taxes are based on value. The helper works with the buyer and seller to get the papers transferred. The whole process takes less than 30 minutes.

A foreign driver's license is perfectly acceptable as long as you're in the country legally. You shouldn't carry your original passport to document your status. Any notary office can make an official copy of your passport and a photocopy of your entry stamp. If you get residency, you can apply for a Guatemalan license.

Vehicle taxes are paid online, once a year. You can do it yourself or a paperwork helper can do it for you. The amount depends on the type and value of the vehicle. For a new car, \$90 - \$150 per year is typical. After a few years, the cost usually

drops to about \$25 annually. For small motorcycles, the tax starts around \$32 per year and drops to about \$12 once the bike is a few years old.

Each vehicle has two documents you'll use regularly:

- Registration Card (Tarjeta de circulación)
- Annual Tax Card (Calcomanía)

There's also an ownership certificate (certificado de propiedad) that you will use if you sell the vehicle.

Insurance is not required by law. The government tries to make it mandatory every year or two, but each time they propose it, the public pushes back and the plan gets postponed. That said, insurance can be a worthwhile investment, especially if you have an expensive vehicle.

If you get into a minor accident, most people just drive away. If it's serious, the police might come and try to assign blame. In practice, the person who has the nicest vehicle is often found to be the one at fault, and damages are often determined to be what they think the person can afford. If you're riding the same 125 cc Honda or Suzuki motorcycle as everyone else, this isn't much of a concern. Basic healthcare is free or nearly free at national hospitals and everybody just moves on. If you're driving a really nice vehicle though, you probably want to have insurance because the company sends a representative who negotiates on your behalf. You pay the deductible, and the other party can't make up inflated damage claims because the insurance adjuster negotiates for you. Basic liability insurance costs between \$150 and \$250 / year for a car and between \$100 and \$125 / year for a small motorcycle.

Road Conditions, Safety, and Police

Guatemala has a mix of highways, city streets, cobblestone roads, and dirt roads. The road might be very good one minute and full of potholes the next. Radar guns are non-existent. Speed is regulated with speed bumps. Sometimes the speed bumps are not marked and are hard to see if you're not paying attention. It's important to drive cautiously and to be attentive.

Aside from the need to be attentive to road conditions, driving in Guatemala is generally very safe. There are a few neighborhoods to avoid in the biggest cities,

but you can safely drive the highways and secondary roads throughout the country any time day or night without worrying about criminal activity.

Police checkpoints are common around the 15th and the last day of the month. Officers set up cones, wave a few cars over, and check their paperwork. They ask for your license, registration card, and tax card. Sometimes they write your information on a clipboard or scan it on a phone. They are polite and the process only takes a minute or two. Once they see that your papers are in order, they smile and tell you to have a nice day.

Buying a New Car

Buying new often makes sense. A used vehicle might cost a little less, but a new one comes with less uncertainty and usually delivers better value in the long run.

Here are three solid options that cover different needs:

- Toyota Agya – The Agya is a dependable and economical small car. It costs less than \$12,000, is comfortable and has excellent fuel economy. It is a practical choice for anyone who wants trouble-free transportation at a low price.
- Toyota Hilux – The Hilux is one of the most popular pickup trucks in Guatemala. Base models cost around \$27,000 and the 4WD version with the extended cab costs around \$35,000. With a fuel-efficient diesel engine, high clearance, and skid plates protecting the underside, the Hilux is built to handle rough rural roads and heavy use. It's extremely popular with farmers, ranchers, and anyone who needs a workhorse that lasts.
- Suzuki Jimny (2-door and 4-door models) – The Jimny is a 4WD SUV that is rugged and easy to maneuver. Prices range between \$20,400 and \$26,800 depending on the model. It is designed with high clearance and a strong chassis, making it an excellent choice for rural roads.

Buying a New Motorcycle

Motorcycles are more common than cars here. They're inexpensive, easy to park, and practical in both towns and rural areas. Honda and Suzuki both sell reliable small motorcycles for between \$1,700 and \$3,000 new. Parts availability is excellent and it's easy to find mechanics who have experience working on them.

Three of the best options for gringos are:

- Honda Wave 110 Cast (automatic) – The Wave 110 Cast is a simple automatic motorcycle that is priced around \$1,750. It has large 17-inch wheels, giving it more stability and better handling than the typical scooter or small automatic motorcycle. It's easy for beginners and practical for errands, commuting, and short trips.
- Honda XR150L (manual) – With a price of around \$2,850 the XR150L is a competitively priced dual-sport motorcycle designed to work well both on pavement and dirt. It has large wheels and a rugged suspension.
- Suzuki GN125 (manual) – The GN125 is priced under \$2,000 and is a simple, budget-friendly motorcycle that is rugged, reliable, easy to ride, and easy to maintain.

Buying a Used Vehicle

The used vehicle market is more complicated than the new vehicle market. It makes sense if what you're looking for is expensive new or if you don't plan on driving a lot.

One of the best options for buying a used vehicle is buying from a gringo who is leaving the country or upgrading to a different vehicle. In those cases, you're more likely to get honest answers about the vehicle's history and maintenance.

The key to buying a used vehicle is evaluating the vehicle's history and condition.

Most used vehicles in Guatemala fall into two categories:

1. Locally purchased vehicles that were originally bought new at a Guatemalan dealership.
2. Imports from the United States, usually purchased at auction and shipped in.

Locally purchased vehicles that were originally bought new at a Guatemalan dealership are generally sold at a premium because most of the vehicles that were imported from the U.S. were considered totaled due to accidents or flood damage. They can still be good vehicles because repairs can be done more economically in Guatemala, but it is important to make sure that there are no hidden problems.

Regardless of the vehicle's origin, the most important thing you can do is have the used vehicle inspected by a competent mechanic that you trust.

If you're new to Guatemala, here's how to find one:

- Ask well assimilated gringos who own cars.
- Look for recommendations from gringos who run businesses or nonprofits. They have experience vetting professionals.
- If you've been using a specific driver or shuttle service, ask who maintains their vehicles. Their mechanics are often reliable.

A good mechanic will spot issues you'd never notice on a test drive. That inspection can save you thousands and spare you from buying someone else's problems.

Importing a Vehicle from the U.S.

Importing a vehicle from the U.S. into Guatemala is a practical option if:

- You already own the vehicle and don't want to sell it. This is especially true if the vehicle has been well maintained but is older. A ten-year-old car with mostly highway miles and a modest blue-book value will qualify for lower import taxes while still being a reliable vehicle.
- You have strong connections in the U.S. auto market. For example, a family member works in the industry and can help you find well-priced, well-maintained used cars.
- You want a vehicle that isn't common in Guatemala, like a full-size pickup with an extended cab and an 8-foot bed.

In my case, I imported a 2016 Ford F-150 pickup truck. My father purchased it at an auction in New Jersey and dropped it off at the shipping yard in Newark, NJ. Six and a half weeks later, it arrived at the port in Santo Tomás de Castilla, Guatemala.

Once it landed, I worked with a local paperwork helper (tramitador) in Puerto Barrios. The vehicle was moved from the port to the customs yard, where we picked it up. From there, it was a short drive to his office. He prepared the documents, I signed them, and we walked across the street to the government office. The clerk processed the paperwork in about 15 minutes. After the fee was paid, I had license plates in hand. The helper printed the final documents back at his office, and I drove away legally registered.

Here's what it cost to bring that F-150 into Guatemala:

- Purchase price (auction in New Jersey) – \$3,211
- Ocean freight – \$2,169

- Taxes and government fees – \$1,674
- Port and paperwork fees – \$643
- Total – \$7,697 (about Q60,000)

Smaller cars are much cheaper to ship, usually \$750 to \$1,250, because they take up less container space. Taxes depend on the type of vehicle (car, SUV, pickup, or microbus) and its declared value. To prove value, you'll need documentation such as a dealer invoice or auction receipt plus a bank transfer record showing payment.

Vehicles that arrive by ship must be permanently registered. Vehicles driven across the border, however, can enter with a 90-day temporary permit. The permit can be extended once (for 180 days in total). After that, the vehicle must either leave Guatemala or be registered permanently.

This is a great option if you want to drive down to Guatemala and explore with the idea of possibly moving here. You can have your own car here legally for six months while you travel around and get a feel for different parts of the country. If you decide to stay, you can then pay the taxes and fees to plate the vehicle in Guatemala.

Parts

It's easy to find parts for common models made by major Japanese brands like Toyota, Honda, and Suzuki. Less common models may require waiting on parts from Guatemala City or abroad. Depending on the type of vehicle and the parts required, it may be worthwhile to import parts from the U.S. After importing my Ford F-150, I ordered several boxes of maintenance parts from RockAuto.com. The parts included wear items such as cooling system parts, belts, pulleys, brakes, and filters. The process was quick and efficient. Two weeks after I placed the order, I picked the parts up at the shipping company's store in Puerto Barrios. Shipping and import taxes added about 50% to the cost, but RockAuto's prices are competitive, and I wound up getting name-brand parts for less than the price of generic parts from the local store.

Selling a Vehicle

Selling a vehicle is pretty straightforward. The used vehicle market is generally strong and depreciation is less than you might expect; however, sales tax (IVA) is assessed at a rate of 12%. The taxes can be more than you expect because the government does not allow for depreciation on vehicles less than 2 years old. That

means that if you buy a new motorcycle for \$2,000, you could realistically sell it a year later for \$1,650. Between taxes and paperwork processing fees, you will wind up with about \$1,350. In that case you drove a brand new motorcycle for \$54/month.

Conclusion

A vehicle gives you more than transportation. It gives you the freedom to see more, do more, and feel like you're part of the country, not just passing through.

If you haven't already checked them out, I have two more free guides:

- The Gringo's Guide to Living on Guatemala's Caribbean Coast
- The Gringo's Guide to Tourist Destinations on Guatemala's Caribbean Coast

You can download the guides at:

<https://www.caribbeanadventuretours.gt.com/download-guides>

My main focus here is renting comfortable, air-conditioned homes near Guatemala's Caribbean coast and helping newcomers get to know the area. I like to rent month-to-month because sometimes people's plans change, and I don't want anyone to feel locked in, but I also try to avoid the constant turnover of having different people each night. In addition to the rentals, I take people on weekend boat tours and host beach barbecues, where gringos and locals can meet and get to know each other.

If you're considering spending time here, there are two ways that I can help you get oriented:

1. We can schedule a free 30-minute phone call where I can answer specific questions.
2. I offer affordable short orientation visits where you can stay for a few days and I'll personally show you around Punta de Palma and Puerto Barrios.

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