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GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
FEDERAL BOARD OF REVENUE

Islamabad, the 11th July, 2019.

NOTIFICATION
(Customs)

S.R.O. 805 (I)/2019.- The following draft of amendments, which the Federal Board of Revenue proposes to make in the Customs Rules, 2001, in exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, section 40 of the Federal Excise Act, 2005 and section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), is hereby published for information of all persons likely to be affected thereby and, as required under sub-section 3(A) of section 219 of the Customs Act, 1969 (IV of 1969), notice is hereby given that objections or suggestions thereon, if any, may for consideration of the Board be sent within seven days of publication of the draft amendments in the official Gazette. Any objections or suggestions which may be received from any person, before the expiry of the aforesaid period, shall be taken into consideration by the Federal Board of Revenue, namely:-

DRAFT AMENDMENTS

In the aforesaid Rules,-

(1) in rule 226,-

(i) in sub-rule (4), for the proviso the following provisos shall be substituted, namely:-

“Provided that the investors in Export Processing Zone shall retain machinery for a period of five years from the date of its import into the Zone:

Provided further that the investors in Export Processing Zone shall be allowed to dispose of machinery in the tariff area after filing Goods Declaration subject to the fulfillment of conditions of Import Policy Order upon payment of duty and taxes on the following terms, namely :-

| “Sr No | Disposal period | Duty and taxes |
|--------|-------------------------------------------------------------------------------------------------------|----------------|
| (1) | (2) | (3) |
| 1 | If sold or otherwise disposed of before the expiration of three years from the date of import in EPZ. | Full |
| 2 | If sold or otherwise disposed of after three and before four years from the date of import in EPZ | 75% |
| 3 | If sold or otherwise disposed of after four and before five years from the date of import in EPZ | 50% |
| 4 | If sold or otherwise disposed of after five years from the date of import in EPZ | 0%’; |

“; and

- (ii) in sub-rule (9), in the proviso, for the full stop at the end, a colon shall be substituted and thereafter the following second proviso shall be added, namely:-

“Provided further that the Chief Collector may consider any further extensions, in exceptional circumstances, on such terms and conditions, as he may deem appropriate.”;

- (2) in rule 296, in sub-rule (1),-

(i) in clause (f), for the word “Collector”, the word “Authority” shall be substituted; and

(ii) for clause (m), the following shall be substituted, namely:-

“(m) **“Regulatory Authority”** means the Collector of Customs in whose jurisdiction the place of business or manufacturing unit of DTRE applicant, duly registered under the Sales Tax Act, 1990, is located. The Collector may designate an Additional Collector as Regulatory Authority for such cases where total duty and taxes remitted under DTRE approval is upto fifty million Rupees.”;

- (3) in rules 298, 299, 300, 301 and 302, for the words “Collector”, wherever occurring, the words “Authority” shall be substituted and for the expression “PACCS”, wherever occurring, the expression “WeBOC” shall be substituted;

- (4) in rule 302A, for the words “Regulatory Collector”, the words “Regulatory Authority” shall be substituted;
- (5) in rules 304A, 306, 307(2), 307A and 307D for the words “Collector”, wherever occurring, the words “Authority” shall be substituted and for the expression “PACCS”, wherever occurring, the expression “WeBOC” shall be substituted ;
- (6) in rule 307E,-
 - (i) for the word “Collector”, wherever occurring, the word “Authority” shall be substituted; and
 - (ii) after sub-rule (4), the following new sub-rule shall be added, namely:-

“(5) The Collector of Customs will be responsible for overall monitoring of the scheme.”;
- (7) in rule 307G, for the word “Collector”, wherever occurring, the word “Authority” shall be substituted;
- (8) after rule 307H,-
 - (i) in Appendix-I, for the expression “PACCS”, the expression “WeBOC” shall be substituted;
 - (ii) in Appendix-II, for the word “Collector”, the word “Authority” shall be substituted and for the expression “PACCS”, the expression “WeBOC” shall be substituted;
 - (iii) in Appendix V, for the word “Collector”, wherever occurring, the word “Authority” shall be substituted;
- (9) in rule 308,-
 - (i) in clause (h), after the word “Gilgit-Baltistan”, the expression “, Islamabad Capital Territory (ICT)” shall be inserted; and
 - (ii) after clause (h), the following new clause shall added, namely:-

“(ha) “**Director IOCO (Hqrs)**” means the officer of Customs holding the charge of Director IOCO (Hqrs) having jurisdiction over all offices

of the Directorate General of IOCO and the Collectorates of Customs as duly notified by the Board;”;

(10) in rule 342,-

- (i) in clause (a), for the expression “the Central Excise Act, 1944(I of 1944)”, the expression “the Federal Excise Act, 2005” shall be substituted;
- (ii) in clause (b), for the word “Collector”, the word “Regulatory Authority” shall be substituted;
- (iii) in clause (d), for the word “central”, the word “Federal” shall be substituted;
- (iv) in clause (f), for the word “Collector”, the word “Regulatory Authority” shall be substituted;
- (v) in clause (g), for the expression “344”, the expression “343” shall be substituted;
- (vi) in clause (i),-
 - (a) in sub-clause (a), after the word “warehouse”, the expression “for storing of input goods, procured under clauses (i), (ii) and (iii) of sub-rule (1) of rule 352 and goods manufactured therefrom for exports” shall be inserted; and
 - (b) in sub-clause (c), for the word “Collector”, the word “Regulatory Authority” shall be substituted;
- (vii) after clause (l), the following new clause shall be inserted; namely:-
 - “(la) **“Regulatory Authority”** in relation to Manufacturing Bond means the Additional Collector of Customs designated as the Regulatory Authority by the Collector of Customs in whose jurisdiction the place of business or manufacturing unit of the Manufacturing Bond Licensee, duly registered under the Sales Tax Act, 1990, is located;”;
- (viii) in clause (o), after the word “Collector”, the expression “or the Regulatory Authority designated by the Collector as the case may be,” shall be inserted;

