**G0VERNMENT OF PAKISTAN**
**REVENUE DIVISION**
**CENTRAL BOARD OF REVENUE**

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C.NO.3(6)Tar-I/90 Islamabad, the 9th April, 1999.

# CUSTOMS GENERAL ORDER NO. 08/99

**Subject :- CLASSIFICATION OF FLAVOURED MILK**

A classification dispute has arisen regarding classification of a product namely "Flavoured milk'' which consists of the following ingredients:

| | | |
|---|---|---|
| (i) | Milk | 93% |
| (ii) | Sugar | 6% |
| (iii) | Flavor | 1% |

It is used as a drink for direct human consumption without any further processing.

2. The following three headings were considered :

**Heading 04.02**

This heading covers milk containing added sugar or other sweetening matter . The importer claims that since the product is a normal milk and addition of small amount of flavor has not changed its essential character, it should be classified in this heading. However, exclusion (b) of the Explanatory Note to the heading 04.02 specifies that beverages consisting of milk flavored with cocoa or other substances are excluded from this heading and fall in heading 22.02. Since the product is milk flavored with chocolate, it is therefore excluded from this heading.

**Heading 19.01**

This heading covers food preparation of headings 04.01 to 04.04. Such preparations include milk products to which secondary ingredients such as cereals, groats, yeasts etc. have been added or in which one or more constituent of milk has been replaced. Since ingredients have been replaced, this heading can also be ruled out.

**Heading 22.02**

This heading covers non-alcoholic beverages. Explanatory Note to heading 22.02 specifically mentions beverages ready for consumption, such as those with a basis of milk. Since this product is a ready for consumption beverage flavored with chocolate, it is ruled that chocolate flavored milk should be classified in heading 22.02 and PCT heading 2202.9010.

**CONCLUSION:**

The product “Flavoured Milk” under reference is classified under P.C.T. heading 2202.9010.

(SHAHZADA TAHIR ZAMAN)
Secretary(Customs Tariff-I)