

**GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
FEDERAL BOARD OF REVENUE**

NOTIFICATION

Islamabad, the 3rd October, 2023.

S.R.O. 1396 (I)/2023.- The following draft of certain further amendments in the Customs Rules, 2001, which the Federal Board of Revenue proposes to make 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 (VII of 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 by sub-section (3A) of section 219 of the Customs Act, 1969 (IV of 1969), notice is hereby given that objections or suggestions thereon, if any, may be sent for consideration of the Board within two days of publication of the draft amendments in the official Gazette. Any such 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 471, in sub-rule (1), in clause (xi), after the words “encashable financial guarantee”, the words “in the forms of bank guarantee” shall be added;
- (2) in rule 472, sub-rule (5) shall be omitted;
- (3) in rule 473, for sub-rule (2), the following shall be substituted, namely:-

“(2)The bonded carrier or customs agent, filing the GD, shall be required to submit bank guarantee with the customs to cover the leviable duty and taxes in the GD for customs security. The GD will be assessed by the Customs Computerized System (CCS) or assessing officer on the pattern of GDs filed for local home consumption.”;

- (4) in rule 479A, sub-clause (c),-
 - (a) for the words “revolving insurance guarantee”, the words “bank guarantee” shall be substituted; and

- (b) for the word "Appendix-II B", the word "Appendix-IV" shall be substituted;
- (5) in rule 484-A, for sub-rules (1) and (2), the following shall be substituted, namely:-
- “(1) the authorized customs agents, brokers or transport operators in Pakistan shall furnish financial security in the form of bank guarantee for goods destined for Afghanistan, from a scheduled bank, on the prescribed format (Appendix-IV) or any other form prescribed by the Board which shall be valid for at least one year and shall be encashable in Pakistan, for guaranteeing the fulfillment of any obligation arising out of customs transit operations between Pakistan and Afghanistan.
- (2) the amount of bank guarantee for transit operations shall be determined by system on the basis of the assessment done by Customs Computerized System or assessing officer at the office of departure so that it covers all import levies.”;
- (6) in rule 484-C, in sub rule (1), the following shall be substituted, namely:-
- “the designated customs officer at the office of departure shall detach the bank guarantee and enter the particulars in the system. The officer shall ensure that the bank guarantee submitted by the importer or his authorized customs agent has been issued by a scheduled bank and is encashable in Pakistan, and contents thereof are in conformity with the particulars of consignment against which it is being furnished. The officer shall also ensure that the bank guarantee covers the duty and taxes involved on vehicles or goods and the amount being secured is accurate and as per the calculation assessed by the system or assessing officer.”;
- (7) in rule 484-D, in sub rule (1),-
- (a) in clause (c), for the word "security", the words "bank guarantee" shall be substituted; and
- (b) in clause (c), in the second proviso, for the word "financial", the word "bank" shall be substituted;
- (8) In rule 484-D, in sub rule (2), the following shall be substituted, namely:-

- (a) "the Deputy/Assistant Director securities of the office of departure shall be responsible for taking appropriate steps on fortnightly basis for timely reconciliation, encashment revalidation or physical release of bank guarantee.";
- (b) in case of non-receipt of cross border certificate along with T-1 or TAD bearing "exit stamp" or non-fulfillment of any conditions against which the guarantee was furnished by the Afghan importer or exporter, the concerned office at the office of departure, shall take action for enforcement or encashment of the bank guarantee for recovery of government revenue involved therein"
- (c) upon finalization of action, the Deputy/Assistant Director Securities at the port of departure shall forthwith instruct the concerned bank or financial institutions, as the case may be, to encash the guarantees and remit the amount in favor of the concerned Director Transit Trade. After receipt of payment order from the concerned bank, the office shall deposit the same in National Bank of Pakistan for transfer into the government treasury."; and

(9) Appendix-II B shall be omitted.



Appendix-IV
[see rule 484-A & 479A(c)]

BANK GUARANTEE FOR IMPORTED GOODS IN-TRANSIT

*The Director of Transit Trade,
Directorate of Transit Trade,
Custom House,
Karachi.*

Dear Sir,

WHEREAS Messers _____ having their registered office at _____ (herein after referred to as the Afghan importer) have imported goods in transit to Afghanistan from Messers _____ as per _____ IGM No. _____ dated _____ Index No. _____ dated _____ vide GD (AT) No. _____ dated _____.

2. AND WHEREAS an amount of Rs. _____ (Rupees _____) has been assessed as duties and taxes in respect of the said goods, which are payable by the importer in case he fails to take the goods out of the territorial jurisdiction of Pakistan.

3. AND WHEREAS the Customs Department has agreed to release goods against furnishing of a bank guarantee equal to the amount of duty/taxes involved on the goods entering Pakistan.

4. NOW, THEREFORE, in consideration of the release of the imported goods, in-transit to Afghanistan, to the importer, we, Messers _____ do hereby bind ourselves with the President of Pakistan to pay to the, *Director of Transit Trade*, the aforesaid guaranteed amount of duties and taxes and the surcharge thereon at the rate of fourteen percent per annum for the whole period on the amount or any part thereof remained un-paid from the date on which the in-transit goods are released to the importers.

5. **THE BANK ISSUING THE GUARANTEE ALSO UNDERTAKES:-**

- (a) That the importer shall pay to you the guaranteed amount in lump sum after demand.
- (b) That the importer shall also pay to you the surcharge due to the involved amount at the rate of fourteen percent per annum.
- (c) That in the event of any default on the part of the importer to pay the (bank) amount on demand along with surcharge due as aforesaid, we, Messers _____ (bank) shall pay to you the same immediately upon demand by Director of Transit Trade, on receipt of demand from the Director of Transit Trade, it shall be considered by us as conclusive evidence of non-payment of the government dues plus surcharge, if payable by the importers.
- (d) That we do hereby agree to the payment of duty/taxes and surcharge on the amount chargeable from the date of clearance of goods till the date the payment is made, provided that you agree, on the request of the importers, not to take action under condition (6) (a) of the bank guarantee.
- (e) That we do hereby agree and declare that in the event of any default in the payment of any sum stated above it may, without prejudice to any other remedy which may be available to you, be recovered by you under section 202 of the Customs Act, 1969.
- (f) That, notwithstanding anything contained in the foregoing, the guaranteed amount or any part thereof and surcharge, as aforesaid, shall immediately become payable to you.

6. **ADDITIONAL CONDITIONS OF THIS BANK GUARANTEE ARE AS FOLLOWS:-**

(a) Any notice may be given to the importers/company by sending the same, by registered post, which shall be deemed to have been served at the time when it would have been received by the addressee in the ordinary course of the post.

(b) The amount payable hereunder as principal or surcharge at the specified date may be declared and the same shall there-upon become due and payable immediately.

7. That this bank guarantee is valid up to _____

8. IN WITNESS WHEREOF we have _____ this _____ day of _____ 2023 caused this guarantee to be signed under the official stamp in the presence of-

1. _____
Officer

2. _____
Bank Manager

1. _____

2. _____

[C. No.1(14)T&BT/2013]

(Shakir Muhammad)
Secretary T&BT