THE FEDERATION OF PAKISTAN
CHAMBERS OF COMMERCE & INDUSTRY
وفاق ایوان ہائے تجارت وصنعت - پاکستان

FPCCI FEDERAL BUDGET 2023-24

Industry Specific Proposals

FPCCI’S FEDERAL BUDGET PROPOSALS FOR 2023-2024

INCOME TAX

<table>
<tr><th>S. No.</th><th>Association/ Chamber/ Individual</th><th>Section / Clause / Rule</th><th>Issue / Existing Provision</th><th>Proposed Amendment</th><th>Rationale / Justification</th></tr>
<tr><td>1</td><td>Fleet Operators Association of Pakistan (FOAP)</td><td>Section 153</td><td>Transport is charged discriminately at a Withholding rate of 3%, while it was reduced to 2% for the transport of oil</td><td>A Withholding rate of 2% should be notified for all transport services</td><td>Discrimination within transport categories should not be practiced</td></tr>
<tr><td>2</td><td>Insurance Association of Pakistan (IAP)</td><td>Finance Bill 2022 (Section 62)</td><td>Finance Bill 2022 withdrew income tax credit for investment in Life Insurance</td><td>Income tax credit for investment in Life Insurance to be reintroduced</td><td>Pakistan's low savings and investment rate is a major reason for its underdevelopment. Pakistan is far behind its peer countries in the investment-to-GDP indicator. A tax credit on life insurance should be viewed as a significant tool of savings and investment for people, besides helping in improving the financial inclusion objectives of the Government of Pakistan.</td></tr>
<tr><td></td><td></td><td>Section 62 A</td><td>Finance Bill 2022 withdrew income tax credit for investment in Life Insurance</td><td>Income tax credit for investment in Life Insurance to be reintroduced and premium paid on other micro-insurance products (i.e. personal accident, travel, householders, private motors, etc.) should be added in section 62A</td><td>Health insurance reduces the burden on the government. Through a small income tax credit for taxpayers buying health insurance, the practice should continue to be encouraged by all possible means so that this relief may be availed by a broad spectrum of our population.</td></tr>
<tr><td></td><td></td><td>Rule 6(B) of Fourth Schedule</td><td>Taxation of Capital Gains and dividend income of Insurance Companies as one basket income</td><td>The amendment made in Rule 6B of the Fourth Schedule through the Finance Act, 2016 is proposed to be withdrawn and restated as follows:
<table>
<tr><th>S.No.</th><th>Holding period of Security</th><th>TY 2019 & onwards</th></tr>
<tr><td>1</td><td>Less than twelve months</td><td>15%</td></tr>
<tr><td>2</td><td>More than twelve months but less than twenty-four months.</td><td>12.5%</td></tr>
<tr><td>3</td><td>More than twenty four months but less than four years.</td><td>7.5%</td></tr>
<tr><td>4</td><td>More than four years.</td><td>Nil</td></tr>
</table></td><td>The view of the legislator of treating the insurance & banking sector in the same line is not correct. IC covers the risk of loss of the insured for the nominal premium. To cover the risk, they have to diversify the deployment of their assets into various categories of investment avenues. Such diversification enables coverage of liquidity risk.</td></tr>
</table>

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
		Rules 13E	There are no rules for computation of capital gain on disposal of Securities for insurance companies as Rule 13E for computation of capital gain on disposal of securities is for companies that fall under section 37A.	Rules 13E for computation of Capital Gain on disposal of securities under section 37A is also applicable to the Fourth Schedule of the Income-tax Ordinance, 2001.	As institutional investors, insurance companies are very important participants in the financial market, especially in the capital market. But unfortunately, there is no rules exist for the computation of capital gains on disposal of securities for insurance companies as Rule 13E for computation of capital gain on disposal of securities is for companies that fall under section 37A
		Withdrawal of Federal Insurance Fee on Insurance Premium	In the Finance Act 1989, the Federal Insurance Fee (FIF) was levied @1% on premiums paid on all types of insurance.	It is proposed to withdraw the FIF on premiums paid on all types of insurance in the Finance Act, of 2018.	In 1989 through Finance Act, the GOP imposed FIF @ 1% on the general insurance policies. The understanding given at that time was that the amount generated shall be utilized to promote and develop insurance in the country, but nothing has happened in this regard. Thus; such fee should be withdrawn.
		Section 233 (3) of Income Tax Ordinance 2001	The tax collected from commission agent U/s 233 (3) shall be the minimum tax on the income of such person instead of a final tax	It is proposed to withdraw the change made in the finance act 2019, the tax collected from commission agent U/s 233 (3) shall be the minimum tax on the income of such person instead of a final tax.	Insurance agents are facing a huge plunge in their business and have difficulties in the collection of insurance premiums due to COVID-19. Due to this situation, it is difficult for commission agents to be taxed at a normal rate of tax, and therefore, tax deduction U/s Sec. 233 (3) should be full and final.
		Capital gains on the sale of Securities Section 37A (finance supplementary, second amendment)	Losses sustained during the tax year 2019 and onwards on the disposal of securities chargeable to tax under section 37A, if not fully set off during the year, would be allowed to carry forward to the next year and the subsequent two tax years.	We propose to insert the same provision in clause 6C of the fourth schedule	As the amendments in the supplementary Bill will not be effective for Insurance Companies unless the said amendments will be made in the Fourth Schedule to the Income Tax Ordinance 2000.
		Clause 6E of the Fourth Schedule	"6E. Notwithstanding anything contained in this schedule, the commissioner shall be authorized to examine and amend the amount of income as disclosed in the financial statement presented to the SECP concerning the commission paid and claimed for losses."	The clause 6E of the fourth schedule of income tax ordinance 2001 should be deleted	Insurance company's accounts are dually audited by SECP-approved auditors and claims are settled/paid by insurance companies as per the recommendations of independent surveyors which are also approved by the SECP. The second examination by FBR will be a waste of time and add procedural complications

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<tr><td></td><td></td><td>Third Schedule of the Income Tax Ordinance, 2001</td><td>Previously initial allowance of 15% was allowed on new buildings in computing taxable income. Through an amendment in the Third Schedule to the Income Tax Ordinance, 2001 Finance Act 2019, no initial allowance on addition in the buildings will be allowed.</td><td>The List of eligible assets for initial allowance shall include buildings</td><td>In addition, buildings involve huge cash flows for businesses. Thus the businesses shall be facilitated through initial allowance just like initial allowance on plant and machinery</td></tr>
<tr><td></td><td></td><td>Stamp Act 1899: Clause 47</td><td>Exorbitant stamp duties on marine line business. The duties are as follows: For each voyage; (I) The premium of consideration must not exceed 1/8% of the insured amount for every full sum of Rs. 5,000 and fractional parts thereof insured by the policy.
(II) For a time in respect of every full sum of Rs. 2,000 or part thereof insured by the policy (i) where the insurance shall be made for any time not exceeding six months;(ii) where the insurance shall be made for any time is 6 months < X < 12 months</td><td>Clause 47 as applicable before Finance Act 2019 shall be restored</td><td>Stamp duties as levied through Finance Act 2019 on marine business are highly excessive and can exceed insurance premiums, affecting insurance companies (Container Insurance).</td></tr>
<tr><td></td><td></td><td>Section 151</td><td>There are taxes on dividends and profits on debt to life insurance companies</td><td>It is proposed to remove respective tax deductions on dividends and profits on debt as per their sections in ITO 2001</td><td>Tax deductions are not fully adjusted, leading to increased refunds with FBR.</td></tr>
<tr><td></td><td></td><td>Section 4C "Tax on high earning persons for poverty alleviation"</td><td>Section 4C applies to insurance companies</td><td>Section 4C should not apply to Insurance Companies</td><td>Insurance businesses cannot bear additional poverty alleviation tax due to slowed economy.</td></tr>
<tr><td></td><td></td><td>Personal Tax Slabs</td><td>7 tax slabs. Up to Rs. 600,000 is not taxable income
<table>
<tr><th>No</th><th>Taxable Income</th><th>Tax Rate</th></tr>
<tr><td>1.</td><td>Upto Rs.600,000</td><td>0%</td></tr>
<tr><td>2</td><td>Rs.600,000-1200,000</td><td>2.5% on exceeding 600,000</td></tr>
<tr><td>3.</td><td>Rs1,200,000-2,400,000</td><td>Rs15,000 + 12.5% on exceeding Rs1,200,000</td></tr>
<tr><td>4.</td><td>Rs2,400,001-3,600,000</td><td>Rs165,000 + 20% of amount exceeding Rs2,400,000</td></tr>
</table></td><td>12 tax slabs are proposed.
<table>
<tr><th>No</th><th>Taxable Income</th><th>Tax Rate</th></tr>
<tr><td>1.</td><td>Upto Rs.600,000</td><td>0%</td></tr>
<tr><td>2</td><td>Rs. 600,000-1200,000</td><td>2.5% on exceeding 600,000</td></tr>
<tr><td>3.</td><td>Rs1,200,001-1,800,000</td><td>Rs15,000 + 12.5% on exceeding Rs1,200,000</td></tr>
<tr><td>4.</td><td>Rs1,800,000-2,500,000</td><td>Rs.90,000+ 15% on exceeding Rs1,800,000</td></tr>
<tr><td>5.</td><td>Rs2,500,001-</td><td>Rs195,000 + 17.5% on</td></tr>
</table></td><td>Government pushes taxpayers into higher brackets, leading to "bracket creep" because the inflation rate is up by 9.5% from the previous year. "Bracket creep".</td></tr>
</table>

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			5. | Rs3,600,001-6,000,000 | Rs405,000 + 25% on exceeding Rs3,600,000 6. | Rs6,000,001-12,000,000 | Rs1,005,000 + 32.5% on exceeding Rs6,000,000 7. | Amount exceeding Rs12,000,000 | Rs2,955,000 + 35% on exceeding Rs12,000,000	| 3,500,000 | exceeding Rs2,500,000 6. | Rs.3,500,001 -5,000,000 | Rs.370,000+ 20% on exceeding Rs3,500,000 7. | Rs.5,000,001 -8,000,000 | Rs. 670,000 + 22.5% on exceeding Rs12,000,000 8. | Rs.8,000,001 -12,000,000 | Rs.1,345,000+ 25% on exceeding Rs5,000,000 9. | Rs.12,000,001-30,000,000 | Rs.2,345,000+ 27.5% of exceeding Rs.12,000,000 10. | Rs.30,000,001-50,000,000 | Rs.7,3295,000+ 30% on exceeding Rs.30,000,000 11. | Rs.50,000,001-75,000,000 | Rs.13,295,000+ 32.5% on exceeding Rs.50,000,000 12. | Amount exceeding Rs. 75,000,000 | Rs.21,420,000+ 35% of the amount exceeding Rs.75,000,000	
3	**NBFI & Modaraba Association of Pakistan**	Section 77 (4) - Consideration received	The assessing officers are taking a view that Section 77 (4) does not apply in a case where, for any reason, a lease matures earlier than its original maturity date.	For the removal of doubt, it is proposed that an explanation to this effect be added under section 77(4) as follows: It should be clarified that the term "maturity of the lease agreement" includes premature termination of the lease also."	Section 77 provides the criteria for treating consideration received in various scenarios. It states that the consideration received by a leasing company in respect of an asset leased by the company to another person shall be the residual value received by the leasing company on the maturity of the lease agreement, subject to the condition that the residual value plus the amount realized during the term of the lease towards the cost of the asset is not less than the original cost of the asset. In the event of premature termination, the leased asset is sold to the lessee and the amount received upon premature termination is the Residual Value.
		Section 22(2) - Depreciation	FBR has changed the method of calculation of normal tax depreciation, restricting it to 50% in the year of asset purchase and 50% in the year of disposal, negatively impacting NBFCs.	It is proposed that a proviso to this effect be added under section 22(2) as follows: "the provisions of section 22 of sub-section 2 will not apply to a leasing company."	The proposed amendment reduces market competitiveness and reduces the effective return on leasing products, affecting cash flows.

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<tr><td></td><td></td><td>Section 22(13) - Depreciation</td><td>Under section 22 of the Ordinance, the leasing company is allowed a deduction on an asset, being a passenger transport vehicle not plying for hire shall not exceed Rs. 7.5 Million.</td><td>It is proposed that a proviso to this effect be added under section 22(13) as follows:
"the provision of section 22 sub-section 13 does not apply to a leasing company and Lessee." or the limit be increased to Rs. 15 Million. For both Lessor and lessee.</td><td>Allowing claims against depreciation to both the lessor and lessee will help promote the leasing business, but reduce the volume of the leasing business due to rupee depreciation.</td></tr>
<tr><td></td><td></td><td>Sec.113C - Alternative Corporate Tax (ACT)</td><td>The ACT is discriminatory and applies to leasing companies while banks and insurance companies are exempted.</td><td>It is proposed that a proviso to this effect be added under section 113(C) as follows:
"the provision of section 113(C) does not apply to a leasing company."</td><td>All companies, except NBFCs, are exempt from ACT, but the Banking and Insurance sector is subject to scrutiny. This affects the income of the Leasing Companies.</td></tr>
<tr><td></td><td></td><td>Section 153 Payments for goods, services, and contracts</td><td>Anomaly / Hardship / Discrimination in Withholding Tax Rate on Rental of Machinery / Asset</td><td>It is requested to include the services of rental of machinery/ assets in line with the withholding tax @ 3% as applicable to 24 other services [including therein rent a car service and transportation services] as mentioned in section 153(1)(b) in upcoming budget of 2023-2024.</td><td>Rental of Assets is a Capital-Intensive business that provides services to industries and construction projects. It generates employment for 7000 people and builds valuable human capital through investment in development and training. The 8% withholding tax rate is regressive and works out to a net taxable profit margin of 32%.
<table>
<tr><th>Description</th><th></th><th>Amount</th></tr>
<tr><td>Sales</td><td>A</td><td>100</td></tr>
<tr><td>Sales tax (PRA) @ 16%</td><td>B</td><td>16</td></tr>
<tr><td>Total Sales</td><td>C=A+B</td><td>116</td></tr>
<tr><td>Wothholding @ 8% [U/S 153(1)(b)]</td><td>D= C * 8%</td><td>9.28</td></tr>
<tr><td>Corporate tax rate</td><td>E</td><td>29%</td></tr>
<tr><td>Taxable Net Profit Margin</td><td>F = D / E</td><td>32%</td></tr>
</table>
Taxation under the general rate is not in line with the other 24 businesses classified under the 3% withholding tax/final tax regime. Consequently, the closure of rental sector would incur
- Loss of taxation @29% for rental industry
- Loss of employment of 7000 individual attached with this industry
- Loss of Provincial sales tax collection by the provinces on rental services</td></tr>
</table>

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
		Section 153 (5) (f). Payments for goods, services, and contracts		It is proposed to add Diminishing Musharika for the Clause 153(5)(f) to appear as under: The purchase of an asset under a lease and/or Diminishing Musharika and buy back agreement by a Modaraba, leasing company, banking company, or financial institution;	Since the regular payments are being received by Modarabas on account of Diminishing Musharika, it seems appropriate to include them to refrain from any adverse impact on payments.
		Section 39(1) of ITO 2001, Income from Other sources	Non-returnable grant received from International Group Company for Specific Purposes.	The following proviso should be added: "Grants from foreign group companies for specific purposes related to market research and development, capacity building, and training should be exempted for tax purposes".	Foreign group companies provide grants to local entities for market research, capacity building, and training, but their effectiveness is limited due to tax incidence. With a heavy tax of 29% of gross value, the outreach and effectiveness of the programs and other such events sponsored/supported through these grants get restricted or are unable to create the desired level of impact.
		Section 20. Deduction in computing income chargeable under the head "Income from Business"	Clause 20 Part III of the Finance Act, 2022, requires that the tax payable by a person other than a banking or insurance company in respect of profit on debt from investment in Federal Government Securities is 15%, which is a final tax on such income. This means that income from the investment in Government securities is now taxed at applicable general rates.	The following two options are proposed as amendments; Option 1: Withdrawn clause 20 be reinstated, or Option 2: Non-banking financial institutions can treat interest income on investments as income from business unless they are non-deposit taking and carrying an Investment Finance Services license.	The Super Tax regime and the withdrawal of Clause 20 of the International Financial Companies (NBFCs) have led to an exceptionally high tax burden on NBFCs, with an effective rate of tax now exceeding 50% of the gross profit. This has caused an increase in demand for Government Securities, which is no longer considered a business activity.
		First Schedule Part I Division III Clause (b)	Rate of Dividend Tax	It is proposed to add the word "Modarabas" to Clause(b) of First Schedule Part I Division III to appear as under: (b) 15% in Mutual funds, Real Estate Investment Trusts, Modarabas, and cases other than those mentioned in clauses (a), (c), and (d).	The proposed change would be in line with the change since Modarabas are categorized as normal companies from a tax perspective and exemption is fully withdrawn
		Second Schedule Part I Clause 57 (2)	Exemptions from Total Income	The phrase "Modaraba" in the Clause 57(2) Part I Second Schedule refers to any income other than capital gain on stock and shares of a public company,	The proposed change would be in line with the change since Modarabas was categorized as a normal company from a tax perspective after the withdrawal of tax exemption.

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				PTC vouchers, or any instrument of redeemable capital and derivative products held for less than 12 months. The National Investment Trust Limited is proposed as a result of this statement if not less than ninety percent of the year's income is distributed amongst the Unitholders.	
4	**Faisalabad Women Chamber of Commerce and Industry (FWCCI)**		Due to the higher tax rates, new taxpayers are not coming into the tax bracket.	The tax rate should be reduced by 50% for 1st three years for New Taxpayers (NTPs). Females should be taxed 50% of males to empower them.	It will encourage individual new taxpayers (NTP) and enhance the number of filers
		Section 7E (Tax on Deemed Income) of Income Tax Ordinance & Wealth Tax Act 1963	Section 7E is creating hardship for the public at large	Section 7E should be omitted and Wealth Tax Act 1963 may be revived with nominal and realistic slabs.	
5	**Pakistan Tanner's Association (PTA)**	Section 41 Agricultural Income		To include Raw Hides & Skins in Agriculture Income u/s 41 which is exempted from Tax.	
				Income Tax should be zero-rated on raw materials for Manufacturer-Cum-Exporter	The Income Tax is deducted @1% at the time of Exports u/s 154, it burdens the exporters.
		Section 177 Income Tax Audit		Taxpayers having more than 80% export of that sales should be exempted from an income tax audit.	
6	**All Pakistan Fertilizer Dealers Association (APFDA)**	Section 161 (3)		Sub-section (3) should be omitted to avoid record retention for an unlimited period, and time should be limited for initiating and concluding the monitoring of withholding tax proceedings, as well as for non-monitoring proceedings, to promote harmonization.	Laws provide time limits for initiating and concluding monitoring of withholding tax proceedings, as well as non-monitoring proceedings that are relevant for harmonization.
		Sections 160 & 161		The withholding tax agent may be allowed with a tax credit of 10% of the tax collected and deposited if a person fails to collect tax as required under	The Withholding Tax Agent needs to be compensated for recovery of tax on behalf of the Government and to bear liability in case of being in default.

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				Division II of Division III of the Civil Code.	
		Section 4C & 7E		It is proposed that the levy of tax under sections 4C and 7E (Deemed Income) should be withdrawn.	This amendment will lead to ease of doing business for the taxpayers. The change would result in the facilitation and easement of wealthy taxpayers.
		Section 153		The threshold for the withholding-tax amount of Rs.75,000/- on account of the supply of goods and Rs.30,000/- on account of services in rendered the contract may be increased to Rs.500,000/- and Rs.400,000/- respectively.	This will simplify the tax administration and improve the ease of doing business.
		Section 153 (1)(a)		Separate schemes should be introduced for Individuals and AOPs based on POS integration status allowing for taxes deducted to be adjustable tax.	A separate scheme for Individuals based on POS integration status will encourage documentation of the economy.
		Section 153 (1)(b)		It is proposed that the rate across the board should be reduced to 3%. The tax so deducted should be adjustable tax for companies. A separate scheme should be introduced for Individuals and AOPs based on POS integration status allowing for taxes deducted to be adjustable tax.	A uniform rate should be introduced, a minimum tax should be adjustable, and a separate scheme for individuals based on PSO integration status which will encourage documentation of the economy.
		Corporate Tax	Multiplicity and Higher Taxes	1. The corporate tax rate should be reduced to 25% and employers should be allowed to spend the Workers Welfare Fund on their employees. 2. Listed companies should be given the first benefit of lower tax rates as compared to other companies to further encourage transparency and documentation.	Presently, due to the Multiplicity of taxes for the corporate sector, it goes up to 36% (29% normal tax + 2% Worker's Welfare Fund+ 5% Worker's Participation Fund), the higher tax rates act as a disincentive for multinational groups for locating their business in Pakistan.
		Section 113	The current rate of 1.25% of the minimum turnover tax is high and unjustified as the minimum tax needs to be paid regardless of the profitability of the entity.	The minimum turnover tax must be reduced.	Measures will reduce costs and increase profitability, allowing new industries to invest in productive activities.

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		Sec 177, 214C	Audit	Exemption from Audit for 5 years for the new entrants.	It will help the industry to flourish and will generate employment in the country.
		Sections 177 & 122		The Commissioner having normal jurisdiction should have the power to amend the assessment based on Audit Report U/S 177 if audit objections are valid.	Audit by FBR needs improvement and trustworthiness by adopting the latest auditing techniques so that the taxpayer may rely on Audits by Taxation Authorities.
		Section 164 A		The Synchronized Withholding Administration and Payment System(SWAP) which was introduced through Finance Act 2022 should be implemented properly and monitoring should be done for strict compliance.	The hassles of compliance will be minimized and the risks associated with non-compliance be curtailed.
		Section 7B, 155	.	Bank certificates should be accepted by FBR to acknowledge taxes paid by taxpayers.	This will simplify the tax administration and improve the ease of doing business.
		Section 117		It is proposed that there should be a form and manner for notice under section 117 (Discontinuance of Business) should be prescribed and uploaded/ enabled at IRIS.	This will simplify the tax administration and improve the ease of doing business.
			Documenting the Economy & Providing a Level Playing Field for the Formal Sector	The number of taxpayers needs to be significantly increased – the narrow taxpayer base is leading to greater pressure on the existing taxpayers.	The FBR has obtained access to financial data in various forms, including monthly statements under sections 165A, 165B, 175A and NADRA, FIA, Bureau of Immigration, and Overseas Employment records. This data can be used to bring new taxpayers into the net and to collect data about the tax paid by non-filers on vehicles, immovable property, and on gains made in the Stock Market.
7	**Pakistan Association of Large Steel Producers (PALSP)**	Section 113 (2) C		Reduction of Turnover Tax from 1.25% to 0.25% for steel manufacturers	
		Section 113 (2) C		Increase the Turnover Tax adjustment period to 5 years again.	
				Rationalize/reduce the WHT rate to 0.25% for registered scrap dealers/importers as a final tax levy	

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		Section 153		The 4% levy of WHT on all supplies under section 153 should be broken into the category of suppliers Section 153: i. Raw Materials @ 1% ii. Intermediate goods @ 2% iii. Finished Goods @ 4%	
8	**Pakistan Stock Brokers Association**	Section 37A	Capital gain tax - The present rate of 12.5% is exorbitant and amounts to discouraging investment in Capital Market.	The proposed revision brings the current rate of 12.5% on the disposal of securities in the DFC market of the Pakistan Stock Exchange (PSX) to 5% in Pakistan Mercantile Exchange (PMEX). Finance Bill 2021 and 2022 should address ambiguity and make the tax rate 7.5%. We propose to incentivize the investors by spreading CGT on other markets except for DFC as per the following slabs: i. WHP < 1 year @ 10% ii. 1 < WHP < 2 years @ 7.5% iii. 2< WHP < 3 years @ 5% iv. WHP > 3 years @ 0%	
		Section 37A (3B)	The newly added section 37A (3B) has not resolved the issue of how the holding period of a security is to be determined	To save Pakistan's Capital Market, an explanation (proposed below) may be got added to section 37A (3) of the IT Ordinance, 2001 so that the damage may be controlled. And, the newly added section (3B) may be deleted as being redundant. "For removal of doubt, it is clarified that for this section, the share of a company disposed of the tax year for which the company has the status of a public company, "becomes a security" with effect from the date of acquisition, irrespective of the status of said company at the time of the acquisition of the said share."	Share of a public company becomes a security with a date of acquisition, regardless of status.

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		Tax on Dividends – Section 5	The present tax rate on the dividend is confiscatory and has discouraged investment in stocks which in turn has slowed down the process of industrialization	Rationalize the current tax on dividends to 10% The tax rate is 25% in case of a person receiving a dividend from a company where no tax is payable by such company due to exemption of income or carries forward of business losses or claim of the tax credit, thus 50% for non-filers which is more than normal tax regime of 29%. It is therefore proposed that the tax rate is exorbitant for such a category, and may please be reduced.	Reducing the tax rate would generate more investment in stocks and revenue for the Federal Government. The dividend is paid out of the company's tax-paid income, so the government should introduce a mechanism to remove triple taxation of the company's profit: once in the hands of the company, once in the hands of the sponsors, and once in the hands of shareholders.
9	**Pakistan Yarn Merchants Association (PYMA)**	Section 113 (2) C	Commercial Importers are subject to 3.5% withholding Income Tax whereas Manufacturers Under SRO-1125 / 2011 Dated. 31.12.2011, are only subject to 1% withholding Income Tax.	Manufacturer and Commercial Importers should be subject to the same under SRO 1125 since Commercial importers are importing the same raw material which will be used by manufacturers. Additionally, 1% for both Manufacturers & 2% for Commercial Importers must be charged	The Government should provide a level playing field for commercial importers and manufacturers, reduce fake importers, and enhance commercial Importers to increase employment and revenue.
		Section 113 (2) C	FBR imposed a 0.5% withholding tax on Yarn Traders.	It was agreed with the concerned authority that it would be increased by 0.25%.	Traders of yarn are hesitant to self-register with FBR due to uncertainty, and 'Yarn Traders' urge FBR to understand profit is a turnover base.
		Anomaly in Turnover Tax for Yarn Traders	Clause 28E from The Gazette of Pakistan dated December 27, 2019 states that the rate of minimum tax under section 113 for the tax year 2020 shall be 0.5%, unless the trader of yarn is an individual.	It is requested to omit the word "being an individual" as it is a turnover base tax and the imposition of a such clause with said 'word' restricting companies other than an individual, as it should be kept at 0.1% turnover tax for Yarn Traders. It was agreed with the concerned authority that it would remain at 0.1%.	
10	**Sitara Chemical Industries Limited**	Clause 18B, part-II 2nd schedule	Omitted credit for Shariah pliant companies - Clause 18B part-II 2nd schedule of income tax ordinance 2001,	Restore the clause. Before omission through the finance act 2021, it allowed a reduction in corporate tax rate by 2% for shariah compliant companies.	Omitting the clause was very surprising for the companies that qualified and prepared to avail of the reduction in the corporate tax rate. Inconsistent policies and laws bring uncertainty and create distrust among investors.

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		First Schedule Part I & Part 3 of First Schedule	The effective rate of Corporate Income Tax in Pakistan is **36%** (29% Income Tax for TY 2019 + 5% WPPF + 2% WFF), which is one of the highest in the region. Corporate Tax in the hands of investors is **51%** (36+15) tax on dividends)	Gradual reduction of Income Tax by 2% each year is required, with a targeted Tax Rate of 23%.	This will bring the rate of corporate tax in line with regional tax rates. Further Dividend income should be taxed at a reduced rate of 10%.
		Section 4C	Super tax on high-earning persons: Super tax was imposed with retrospective effect from 2022	The tax rate slabs under section 4C (Division IIB of Part I of the First Schedule) should be reduced to two tax slabs, i. 1% where income exceeds Rs 150 million. But less than 300 million, and ii. 2% where income exceeds Rs.300 million.	As corporate companies are already subject to a 36% tax rate and further charging super tax is a huge burden on the corporate sector especially Large Scale Manufacturing, which is already a victim of the elimination of various tax credits and high corporate tax in the region. Implementation of the super tax has caused great frustration to investors.
		Section 7E	Tax on deemed income from 2022 onwards shall be imposed at 1% of the fair market value. Further 5% on 20% of fair market value over 25 million dollars in property value	Section 7E should be revoked/repealed	Section 7E has caused undue litigation and increased the tax burden on property owners.
		Chapter X, Part V, Division III, Chapter XII	Withholding taxes and tax base broadening - Chapter X, Part V, Division III, Chapter XII,	The scope of withholding taxes should be reconsidered, some sort of compliance incentive (like a tax credit) should be given to compliant holding agents, and the focus should be shifted to broadening the tax base instead of increasing the withholding tax scope.	Withholding tax should be limited to collecting agents, making business easier in Pakistan.
		Section 148, 12th schedule Part-I, II, & III	High advance tax rates on imported materials -from 1% to 5.50%.	Import of Plant and Machinery and import of Raw Material is proposed to be zero rated	Manufacturers are facing difficulties in adjusting their cash flows due to abnormal delays in getting their refunds, leading to increased losses, tax credits, and Minimum Turnover Tax.
		Clause 132, Part I, Second Schedule	Super tax on high-earning persons: Super tax was imposed with retrospective effect from 2022	The tax rate slabs under section 4C (Division IIB of Part I of the First Schedule) should be reduced to two tax slabs, 1% where income exceeds Rs 150 million. But less than 300 million, and 2% where income exceeds Rs.300 million.	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
		Section 153	The term 'execution of contract' is open-ended, leading to litigation between taxpayers and the department.	To avoid further litigation, the term 'execution of contract' used in section 153 should be defined.	To avoid litigation cases and facilitation of compliant taxpayer
		Section 149, First Schedule	High taxes on salaried class	Reduce slab rates for salaries persons	Soaring inflation has increased the cost of living
		Section 65B	No tax credit for Investment in plant and machinery after the tax year 2019.	The period of tax credit should be enhanced till the tax year 2025 @ 10 %.	Encourage industrialization in the country
		Section 153 (1)(b)	It is proposed that a uniform rate of tax should be applied instead of providing an exemption or reduced rate. Export of service should be included in the section.	This will provide a level playing field for the export of services while bringing them into the tax net.	
11	**Multan Chambers of Commerce & Industry**	Section 148	The Twelfth schedule should be abolished and all imports categorized as industrial undertakings. The exemption procedure under clause 72B Part IV 2nd Schedule should be restored and the rate of tax should be reduced from 5.5% to 1%. A separate scheme should be introduced for the service sector, allowing for tax collection at the import stage to be adjusted tax.	The introduction of the twelfth schedule has unnecessarily increased hassle, particularly for industrial undertakings falling in Part III. Hence uniform rate for Industrial Undertaking should introduce the Revocation of exemption procedure as per clause 72B part IV 2nd Schedule has increased the cost of doing business for Industrial Undertaking. To address the issue faced by the service sector.	
		Sections 148 & 153	An amendment to be made to tax companies being taxed under normal tax regimes with minimum taxation, with the option of deducting excess tax after three succeeding tax years.	This will resolve the anomaly explained in the implication column and the company would not be jeopardized by subjecting it to tax twice on the same income.	
		Section 113C	ACT increases the complexity of computations by imposing a tax on turnover and supplies.	It is proposed that section should be abolished which is causing increased cost of doing business and regressive taxation.	
		Section 114	U/S 170 of the Income Tax Ordinance 2001 requires the department to verification of advanced tax/withholding tax, clarification process, and finalized refunds before applying for a refund.	Taxation officials do their job to determine accurate payment/refund of tax	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
		Section 170	The Commissioner cannot wait for an application of refund u/s 170 of the Income Tax Ordinance 2001 which must be finalized within 6 months of the filing of the return. There is no relevance/justification of the requirement of filling out application U/S 170 (2) (c) for a refund within 3 years. Refunds should be allowed immediately and automatically after verification by the department.	Taxation officials do their work to adjust the tax liability against advance tax and make a refund of excess payment without loss of time upon filing the return.	Encourage industrialization in the country
		Section 174	This Section allows the Commissioner to demand the financial documents for audit therefore businesses are required to keep records for six years. Such a long period of audit only adds unnecessary cost and burden to the businesses and gives discretionary powers to the assessing. It is recommended to reduce the audit period from the existing years to three years.	The extended period of audit only adds an unnecessary burden to the businesses and gives discretionary powers to the assessing officer. It also increases the cost of maintaining those records for such a long period.	
		Section 65B, 65D, & 65E	Section 65B, Section 65D, and Section 65E are important for introducing tax credits for making investments in fresh/existing industrial undertakings. The Commissioners are responsible for finalizing Tax Credits under these sections within 6 months of filing the return, allowing taxpayers to make use of tax credits as adjustments/refunds at the commencement of the next financial year.	Will promote industrialization and employment opportunities. This will also discourage investment in non-productive immovable properties. The Industrial Sector will need to do BMR and Renovation of Machinery to meet the demand of the International market by bringing the quality of exports as per current demand.	
		Section 92	An AOP is liable to tax separately from its members, but professional members are liable to tax in the form of minimum tax. This can be addressed by allowing each member to carry forward their share of the loss.	It pertains to the taxation of AOP where tax is levied on AOP and tax-paid income is distributed among members. Profession and vocation fall under this section.	
		Section 127	Where an appeal has been filed U/S 127 of the Income Tax Ordinance, 2001 to the Commissioner Appeals, the demand of the matter appealed against should be	Asking the appellant to deposit tax on undue additions by the taxation officials without a test of appeal is not justified	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
			automatically stayed as a result of Filing Peak effective till the decision of the 1st appeal.		
		Section 138(2)	Where an appeal has been filed with Appellate Tribunal, the Commissioner is to be barred from taking recovery/coercive measures u/s 138(2) until the decision of the Appellate Tribunal, being the final fact-finding authority, has been made.	Same rationale and comments as above	
		Section 100E	This section was introduced for tax years 2021 to 2023 The provision of this section may be extended to the next tax years.	Special provision relating to small and medium enterprises (manufacturers whose business turnover does not exceed 250 million)	
		Section 73	It is recommended such anomalies may be taken care of and removed. It is not out of place to state that the tax is paid every month based on return and there are judgments available where courts have allowed adjustment of input tax where payments are made after 180 days.	The genuine taxpayers will be benefitted and it will restore their confidence.	
		SRO 333 Clause (c)	The narration of clause (c) of SRO.333 (I)/2011 dated 02-05-2011 was for the yarn traders as sellers, suppliers, and service providers who were registered under the sales tax Act, 1990 up to 30-06-2011 were not able to adopt the mechanism to pay minimum tax @0.1% on their annual turnover on monthly basis on 30th day of each month and e-file monthly withholding tax statement u/s 165 of this Ordinance and their withholding tax was deducted at the prevalent withholding income tax rate by the receipt of supplies while making payment.	To flourish this sector and to encourage the yarn traders we are proposing that the change should be made in clause (c) of said SRO to omit the restriction of registration for yarn traders by 30-06-2011 to the extent of clause (a) of this SRO.	
		Section 161(3)	Sub-section should be omitted for avoiding record retention for an unlimited period. The limitation of time be provided under the law for initiating and concluding	The limitation of time is provided under the law for initiating and concluding the monitoring of withholding tax proceedings, like those for non-	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
			the monitoring of withholding tax proceedings, like those for non-monitoring proceedings which is also important for harmonization (No such limitation Exists in Section 161(3))	monitoring proceedings which is also important for harmonization.	
		Sections 160 & 161	When a person fails to collect tax as required under Division II of this part under Division III or having deducted or collected, fails to pay tax, the person shall be personally liable to pay the amount of tax to the Commissioner who may pass an order to that effect and proceed to recover the same. The withholding tax agent may be allowed a tax credit of 10% of the tax collected and deposited.	The Withholding Tax Agent needs to be compensated for recovery of tax on behalf of the government and to bear liability in case of being in default.	
		Sections 4C & 7E	It is proposed that the levy of tax under sections 4C and 7E be regulated	The proposal amendment would promote ease of doing business and may result in facilitation and confidence building among taxpayers.	
		Section 153	The threshold for withholding of tax amount if Rs. 75,000/ on account of supply of goods and Rs. 30,000 on account of services rendered the contract may be increased to Rs. 500,000/- and Rs. 400,000/- respectively.	This will simplify the tax administration and improve the ease of doing business	
		Section 153 (1)(a)	A separate scheme should be introduced for individuals and AOPs based on POS integration status allowing for taxes deducted being adjustable tax.	A separate scheme for Individuals based on POS integration status will encourage documentation of the economy.	
		Section 153 (1)(b)		It is proposed that the rate across the board should be reduced to 3%. The tax so deducted should be adjustable tax for companies. A separate scheme should be introduced for Individuals and AOPs based on POS integration status allowing for taxes deducted to be adjustable tax.	A uniform rate should be introduced, a minimum tax should be adjustable, and a separate scheme for individuals based on PSO integration status which will encourage documentation of the economy.
		Corporate Tax		The corporate tax rate should be reduced to 25% and employers should be allowed to spend the Workers Welfare Fund on their employees.	Listed companies should be given the first benefit of lower tax rates as compared to other companies to further encourage transparency and documentation.

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
		Section 113		The minimum turnover tax must be reduced. The current rate of 1.25% of the minimum turnover tax is high and unjustified as the minimum tax needs to be paid regardless of the profitability of the entity.	Measures will reduce costs and increase profitability, allowing new industries to invest in productive activities.
		Sec 177, 214C		Exemption from Audit for 5 years for the new entrants.	It will help the industry to flourish and will generate employment in the country.
		Sections 177 & 122		The Commissioner having normal jurisdiction should have the power to amend the assessment based on Audit Report U/S 177 if audit objections are valid.	Audit by FBR needs improvement and trustworthiness by adopting the latest auditing techniques so that the taxpayer may rely on Audits by Taxation Authorities.
		Section 164 A		The synchronized Withholding Administration and Payment System) which introduce through Finance Act 2022 should be implemented properly and should be strict towards making compliance.	The hassles of compliance will be minimized and the risks associated with non-compliance be curtailed.
		Section 7B, 155	.	Bank certificates should be accepted by FBR to acknowledge taxes paid by taxpayers.	This will simplify the tax administration and improve the ease of doing business.
		Section 117		It is proposed that there should be a form and manner for notice under section 117 (Discontinuance of Business) should be prescribed and uploaded/ enabled at IRIS.	This will simplify the tax administration and improve the ease of doing business.
		Documenting the Economy & Providing a Level Playing Field for the Formal Sector		The number of taxpayers needs to be significantly increased – the narrow taxpayer base is leading to greater pressure on the existing taxpayers.	The FBR has obtained access to financial data in various forms, including monthly statements under sections 165A, 165B, 175A and NADRA, FIA, Bureau of Immigration, and Overseas Employment records. This data can be used to bring new taxpayers into the net and to collect data about the tax paid by non-filers on vehicles, immovable property, and on gains made in the Stock Market.

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
12	**Pakistan Ethanol Manufacturers Association (PEMA)**	Section 170		Income Tax returns under section 170 should be processed through the automated system like a sales tax refunded	
			The income tax refunds are being late considered, manufacturing costs have skyrocketed which has affected our cash flow.	We request to nominate an officer who will manage the income tax refunds of the corrugated industry. We urge the government to address the issue as soon as possible so that the corrugated industry can be self-sufficient in managing financial crises.	
			Industries are the backbone of any country; they generate foreign exchange for the country by selling their products. In Pakistan, when we import machinery we have to pay heavy income and sales tax.	We urge the government to exempt income and sales tax on machinery.	
13	**All Pakistan Corrugated Manufacturers Association**		The income tax refunds are being late considered, manufacturing costs have skyrocketed which has affected our cash flow	We request to nominate an officer who will manage the income tax refunds of the packaging industry. We urge the government to address the issue as soon as possible so that the packaging industry can be self-sufficient in managing financial crises.	
			Industries are the backbone of any country; they generate foreign exchange for the country by selling their products. In Pakistan, when we import machinery we have to pay heavy income and sales tax.	We urge the government to exempt income and sales tax on machinery.	
14	**Pakistan Tanners Association (PTA)**	Section 41		To include raw hides and skins in Agricultural income u/s 41 which is exempted from tax.	
		Section 154		Income tax should be zero-rated on raw materials for manufacturer-Cum-Exporter. The reason, income tax is deducted @1% at the time of realization of exports u/s 154 which is full and final discharge. Therefore "NO ROOM" for exporters whose exports are 90% or	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
				above to adjust the tax deducted.	
		Section 170		Income tax refunds under section 170 should be processed through an automated system like sales tax refunds.	
		Section 177		Income tax audit u/s 177: Taxpayers having more than 80% export of total sales should be exempted from, income tax audit	
				The tax authorities are taking to harass those people who are already in the tax net in response to pressure from the Government to pick up the pace of revenue collection. Resultantly they raised a huge amount of undue demand. This practice should be discouraged/avoided to encourage exporters/manufacturing in Pakistan.	
15	**Sarhad Chamber of Commerce and Industry Peshawar**			The best possible solution seems to have a flat rate let's say 10% on the largest tax base.	A flat rate tax is necessary to address Pakistan's fiscal deficit and debt burden, as it creates minimal incentives to evade.
				Digitization of Economy	The Pakistani government must focus on strengthening and encouraging the digitization of the economy to formalize the economy and reduce tax evasion. Electronic payment systems must be promoted, with legislation prohibiting cash payment and severe penalties for non-compliance.
			Penalties are not enforceable due to the present corrupt system		Industrialists in our country are aware of tax provisions but do not follow them with letters and spirit due to the culture of not penalizing wrongdoers.

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
		Broadening of Tax Base		The Revenue Authorities in Pakistan have failed to widen the tax base due to a lack of political will and a trust deficit between tax collectors and taxpayers. Instead, they have resorted to deepening the tax base by increasing tax rates or restricting the deductibility of expenditures. This has caused taxpayers to opt for wrong practices such as maintaining two sets of books to avoid excessive taxation.	Pakistan has a population of 225 million people, but only 2.2 million have filed their income tax returns. This is due to trust deficit between tax collectors and taxpayers, and ineffective use of resources by tax collectors. FBR failed to consider the capacity building of field officers.
		Section 230D	Re-activation of the Broadening of Tax Base Directorate is recommended by outsourcing investigations.	FBR should review its methodology to identify new taxpayers liable to file tax returns. The Directorate General of Broadening Tax Base should collect and analyze data from various authorities to broaden the tax base. Modes such as withholding tax data, mobile users' withholding tax data, and electricity bill withholding data, bank account holders' withholding tax data, property registration data, and vehicle registration data can be used. FBR should empower the Directorate-General of Broadening of Tax Base and make appropriate mechanisms for assessing non-filers, including criteria, provisional assessment, case sent to relevant Commissioner, and compulsory NTN.	Outsourcing expert agencies/organizations to collect and analyze data from various authorities to broaden the tax base would increase revenue and reduce administrative costs. This would help to increase new taxpayers and new collections of taxes.
				NTN should be issued to non-filers for services such as passport renewal, electricity connection, vehicle purchases, foreign travel, and membership of clubs, with exceptions for non-residents not required to file returns.	
				Housing societies/developers/builders should integrate their systems with FBR to share real-time transfer of data, and FBR should modify its tax returns and wealth statements format to allow for standardized property declaration.	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
				The Whistle Blower Protection and Vigilance Commission Act, 2019 should be reinforced to grant anonymity to whistle-blowers and reward them with 20% of the tax recovered.	
				Refunds created for salaried individuals below or equal to Rs. 300,000/- should be credited to bank accounts 6 months after filing tax returns.	
			The retail sector in Pakistan has been growing rapidly, contributing almost 20% to the national GDP and employing 15% of the labor force. Sales have nearly doubled in the last 10 years.	Small retailers should be categorized based on location and area, and a fixed-income tax regime proposed. Provincial Authorities/Development Authorities can play an important role in enhancing the tax base by collecting income taxes or verifying that tax challans are paid by small retailers. Simple tax return forms should be available and wealth statements should be filed. GPS mapping of shops can also be done.	
			Qualified persons needed to understand complex tax laws in Pakistan.	FBR should employ people with relevant knowledge of tax, accounting, and auditing laws/rules to ensure the accuracy and completeness of the system.	
			Tax authorities' attitude towards existing taxpayers causes people to prefer non-filers even with higher taxes.	Measures should be taken to implement self-assessment, outsource audit functions to experts, and media campaigns to raise awareness on tax return filing. These campaigns should focus on tax facilitation/incentives such as recognition for high taxpayers, representation at public offices/committees, priority at airports, public amenities, healthcare, and Govt. Offices, increase in tax rebate on stock exchange listing, lower tax rates, improved tax facilitation centers, simplified tax guidelines and assistance, and reduced tax for first 3-5 years.	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
			The population of Pakistan availing financial services or having a bank account is around 20% of the adult population. Less financial inclusion is a big cause of non-documentation and a cash economy.	Focus on financial inclusion would result in significant growth in tax revenue and documentation of the economy. Support from SBP needs to be obtained for encouraging small savings accounts with Tax incentives / lower tax rates for this small saving account— one per CNIC to avoid misuse.	
			There is a strong perception that income from the property is not fully tapped due to a lack of monitoring.	Tenants should file a lease agreement to ensure the tax return is filed. Data should be collected from police stations, development authorities, and municipal administrations to prevent the escape of taxation on rent from immovable property.	
			The second Schedule to the ITO has provisions that give a message that the government is not impartial in levying tax on all sectors of the economy.	The Government should seriously consider the withdrawal of all unwarranted and discriminatory tax exemptions/ concessions provided in the Second Schedule.	
		SROs 889(I)/2018, 1213(I)/2018	FATA/PATA is facing tax exemptions due to misuse of tax exemptions, which is hampering the competitiveness of industries in Pakistan. A recent development has granted the exemption of FED to industries in East India, resulting in heavy Tax Evasion.	Government should withdraw tax exemptions to promote IT/Education in FATA/PATA.	
16	**Otsuka Pakistan Limited**	Section 165 of the ITO, 2001		The sub-section 8 of section 165 reduces the needless burden of reconciliations.	This will improve the ease of doing business and will avoid unnecessary compliance.
		Section 148 (8) of the Income Tax Ordinance, 2001		A new provision to be inserted in Section 148(a) of the Ordinance: Provided that tax paid by manufacturers cum importers dealing in both	Presently, the import of finished goods when sold in the same state falls under FTR irrespective of whether the same is sold by a commercial importer exclusively dealing

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
				manufactured and commercial imports shall be adjustable.	in the commercial trading of goods or manufacturer cum importer engaged in both manufacturing as well as import and sale of goods in the same state. Import and sale of goods in the same state by manufacturer cum importer should be brought into the normal tax regime to bring uniformity, especially in the case of registered manufacturers of the Pharma sector.
		Section 148 of the Income Tax Ordinance, 2001		Reinstate the exemption u/s clause 72B Part IV of the Second Schedule to facilitate companies who have already discharged their tax liability for the year.	Reduce the cost of doing business and will improve the cash flow availability.
		Section 113 of the Income Tax Ordinance, 2001		Reinstate the turnover tax from 1.25% to 1%.	This will improve the ease of doing business and will improve the cash flow availability.
		Section 153 of the Income Tax Ordinance read with Rule 42 of the Income Tax Rules, 2002, and Part VII of the Second Schedule to the Rules		A proviso to be inserted in Rule 42(1) of the Income Tax Rules, 2002 as follows: "Provided that tax deduction certificate issued by Federal Government, Provincial Government, Local Government in their respective format be treated as valid tax deduction certificate for an onward claim by taxpayers".	Presently, Federal Government, Provincial Government, and Local authorities issue tax deduction certifications in their respective format which are not entertained by tax authorities as valid tax deduction certificates as the same were not in the prescribed format as defined in the Rules.
		Section 65B of Income Tax Ordinance, 2001		Tax Credit for investment - Tax Credit @ 5% was available till 2021 on new investment in P&M and BMR of existing P&M which (through the Finance Act, 2019) was curtailed till June 30, 2019.	It will strengthen the industrial base.
		Section 60A & 60B of the Income Tax Ordinance, 2001		To delete the non-allow ability of WWF & WPPF paid by the Tran-provincial companies to the respective province. One window for discharge of Workers Profit Participation Fund and Workers' Welfare Fund liabilities together with the option to get an adjustment from	Presently, both the Federal Government and Provincial Government are demanding from companies to discharge/pay their respective liabilities to them. Further, there is no clarity or consensus among the Federal and Provincial Authorities regarding the mechanism and procedure for the

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
				pending refunds.	discharge of aforesaid liabilities by the companies. Accordingly, there have been numerous cases pending at the Courts whereby companies are seeking directions for the correct discharge of such liabilities. Further, there is no mechanism available whereby income tax and sales tax refunds due from Government can be adjusted from the liabilities payable to the Government such as WWF and WPPF.
		Section 4C of the Income Tax Ordinance, 2001		Under Finance Act, 2022 a super tax under section 4C is levied on the income of high-earning persons and should be abolished	This type of tax is prejudiced toward the high-income earners who are paying normal tax @ 29%. This type of tax will encourage the concealment of income
		Section 148 of the Income Tax Ordinance, 2001 read with Part II of the First Schedule.		A new Serial No.4A is to be inserted in Part II of the First Schedule to reduce the rate of tax from 5.5% to 1% on the import of pharmaceutical raw materials and finished goods for filers.	Presently the rate of tax for the import of pharma raw materials and finished goods is very high considering the price constraints on pharmaceutical products and the significant devaluation of currency over the past months. The pharma sector is highly dependent on imports due to the non-availability of raw materials and medicine in finished form as local substitutes.
17	**Aisha Steel Mills Limited**	Section 148	Currently income tax is payable at the import stage at 2% of the import value which is very high in the steel business.	In view, if tax is already paid to the national exchequer where companies have tax refunds from FBR, it is suggested that exemption from paying advance income tax u/s 148 be restored again where the taxpayer fulfills the criteria that tax liability for the year for which exemption is applied has already been discharged.	
18	**Pakistan Chemical & Dyes Merchants Association (PCDMA)**	Seller Should Not Be Held Responsible If Buyer Appears in ATL at the Time of Sales		The seller should not be held responsible if he sells the item after verification of Active Tax Payer list issued by FBR and after submission of Return of the month which should be deemed to be final. FBR should verify immediately whenever the exporter	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
				claim refund and it is not justified for asking after transaction made as nobody knows what will be the future of the buyer after the transaction has been made which can only result in trouble and harassment among business community.	
		Revival of Final Regime		Commercial Importer of industrial raw material pay 3.5 to 5.5% advance non-adjustable income tax rate at import stage where as industries paid 2% which is not justified so it is not advisable to withdraw commercial importer from final tax regime.	
		Withholding Tax on Supply of Local Goods to Wholesaler / Industries	Presently the rate of withholding tax rate is 4.5% on supplied value including Sales Tax. This rate is very high and a big hurdle in the way of documentation of the Economy.	It is suggested that this rate should be reduced to 0.1%.	
		Withholding Income Tax Rate At Port		It is suggested that the withholding income tax rate at the port should be 2%	
		Turnover Tax	Turnover tax @1.25% for Traders / Distributors / Dealers is very high as the market business profits 2% on sales which may discourage SMEs to registered in sales tax & it can't maintain a complete chain.	The turnover tax should be 0.25 % to encourage business activity.	
19	**Mahmood Brothers Tanners, Manufacturer & Exporters**	Transfer & Registration Fee	It is anticipated that the federal government is going to increase the FBR value or the valuation of plots and taxes such as transfer fees and registry fees in the upcoming budget 2023-24.	It is recommended that the Ministry of Finance may exempt industrial plots in case of increasing transfer/ registration fees. Such an increase in the upcoming budget to avoid the further killing of industrialization.	Higher costs of land and construction have led to the shutdown of various businesses. It also discourages new investment in the sector. If the valuation and taxes get increased further on industrial plots, it will adversely impact industrialization.

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20	**Sialkot Chamber of Commerce and Industry**	Section 7E Tax on Deemed Income of Hereditary Assets	The Finance Act, 2022, has introduced Section 7E in the ITO, 2001, for the imposition of Tax on Deemed Income of a Resident Person calculated at five percent of the fair market value of the capital assets including hereditary assets situated in Pakistan held on the last day of Tax Year and not on the value of the acquisition.	It is therefore proposed that assets acquired through Inheritance / Succession should be excluded from the purview of Section 7E to rationalize the implementation of tax on equitable grounds.	Section 7E does not make any distinction between assets purchased and assets acquired through inheritance. A number of taxpayers might be unable to pay tax on deemed income at the current valuation of their hereditary assets and it is not judicious to treat hereditary assets as commercial assets.
		Section 115(4) Restoration of Presumptive Tax Regime for exporters	Export is the backbone of the economy and SME exporters had been facing several issues with the Tax department regarding the assessment of their tax liability in the past. The Government had taken into consideration the problems faced by the SME exporters and had genuinely accepted the demand of the exporters in 1991 to treat export realizations under Final Tax Regime. Initially, the rate of the income tax was fixed @ 0.50% of the export sales realized by the banks, which was subsequently enhanced to 1%. FBR has recently taken away this facility from the exporters by withdrawing the option to file returns u/s 115(4) of the Income Tax Ordinance, 2001.	It is strongly recommended that Final Tax Regime for the export industry should be restored in the best interest of the export business. It is further requested that WHT rate should be reduced to 0.5% and as the tax is deducted at source by the bank on realization of export sale proceed, a general exemption from audit u/s 177/214C may please be continued for the exporters covered under Presumptive Tax Regime.	This action not only enhanced the government revenue but also provided relief to the exporters from arbitrary decisions of the assessing officer.
		Section 153(1) Facility u/s 153(1) be extended to all the exporters	According to clause 45 of part IV of the Second Schedule, the manufacturer cum exporters are absolved from the obligation of withholding income tax u/s 153(1) from suppliers of goods and services used for the manufacture of exportable goods.	It is suggested that clause 45 should be suitably amended to include "commercial exporter" as well. Moreover, the words "manufacturer cum exporter" should be substituted with the word "Exporter".	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue / Existing Provision	Proposed Amendment	Rationale / Justification
		Section 111 Rationalization of amendment in Section 111 of ITO, 2001, introduced through Finance Act, 2011	A harsh amendment was introduced in Section 111 of the Income Tax Ordinance, 2001, through the Finance Act, 2011, whereby any sales which in the opinion of the Commissioner have been suppressed are directly added to the Income of the person.	This amendment should be rationalized and it is recommended that only gross profit on suppressed sales should be added to the Income of the person instead of adding total sales.	
21	**Pakistan Printing and Packaging Business Forum (PPPBF)**	Income Tax on Machinery	Industries are the backbone of the economy and generate foreign exchange, but required to pay heavy taxes on the import of machinery.	The income tax on machinery should be exempted	

SALES TAX

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<tr><th>S. No.</th><th>Association/ Chamber/ Individual</th><th>Section / Clause / Rule</th><th>Issue</th><th>Proposed Amendment</th><th>Rationale / Justification</th></tr>
<tr><td>1</td><td>Fleet Operators Association of Pakistan (FOAP)</td><td></td><td>The Sales Tax on high-speed diesel is an input adjustable at the Provincial level to claim for out payments. The initial 17% GST (Federal) which later reduced to few or zero at times, however, provincial tax authorities do not let us adjust our input at lower tax rates.</td><td>The provincial tax authorities should allow input adjustment in GST</td><td>The small fluctuations in GST add a huge burden on an already thin profit margin business.</td></tr>
<tr><td>2</td><td>Insurance Association of Pakistan (IAP)</td><td>SRO 495 (I) 2016, Islamabad Capital Territory (Tax on Services) Ordinance, 2011</td><td>Through SRO 495 (I) 2016 dated 4th July 2016 FBR amended the rate of service provided by car/automobile in IST from 16% to 5% with a condition that no input tax shall be admissible.
<table>
<tr><th>S.No</th><th>Service Description</th><th>Condition</th></tr>
<tr><td>9</td><td>Service Provided by car/automobile dealers</td><td>Five Percent subject to the condition that no input tax adjustment or refund shall be admissible</td></tr>
</table></td><td>We propose that the following amendment in the Schedule of Islamabad Capital Territory (Tax on Service) ordinance, 2011 be made:
<table>
<tr><th>S. No</th><th>Service Description</th><th>Condition</th></tr>
<tr><td>42</td><td>Service Provided by car/automobile dealers</td><td>Five Percent</td></tr>
</table></td><td>Disallowance of input sales tax on reduced rate of services is against international VAT principles and has resulted in an increase in the cost of doing business for insurance companies, as motor insurance is one of the important lines of business for them.</td></tr>
<tr><td>3</td><td>NBFI & Modarba Association of Pakistan</td><td>Section 73. Certain transactions are not admissible. –</td><td>The existing clause prevents doing business with discounting transactions per prescribed norms as the tax credit benefit is unavailable to the customer. The clause conflicts with the NBFC Regulations, 2008 for discounted services.</td><td>Section 73. Certain transactions are not admissible. –
The addition to Clause 3 has been made Italic bold.
(1) The amount transferred in terms of this section shall be deposited in the business bank</td><td>The proposed provision will allow for financial institutions to more efficiently provide factoring of receivables/invoice discounting as a product to suppliers/vendors as there is now a clear pathway to the collection of funds. This is even more relevant to non-deposit-taking NBFCs who are unable to maintain the deposit</td></tr>
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				account of the supplier or a financial institution registered with the Securities and Exchange Commission of Pakistan or the State Bank of Pakistan to undertake discounting or factoring services, otherwise, the supplier shall not be entitled to claim the input tax credit, adjustment or deduction, or refund, repayment or draw-back or zero-rating of tax under this Act.	accounts of customers and therefore have no way of monitoring or exerting any restriction on the banking accounts of such suppliers in case they provide such discounting services to them.
4	**Faisalabad Women Chamber of Commerce and Industry (FWCCI)**	GST	GST is a major cause of inflation in the country	GST rate should be reduced to single digit i.e. from 18% to 9%	The reduction in GST will reduce the record-breaking inflation in the country.
		Further Sales Tax	Further (Sales) Tax Rate of 3% increases the cost of doing business	Further (Sales) Tax should be reduced from 3% to 1%.	The cottage industry is mostly run by women and the reduction in further tax will empower women
		Section 214D	There is unnecessary interaction between taxpayers and taxmen	Option for Self Closure of Audit in both Income Tax and Sales Tax should be reintroduced.	This will not only reduce the burden on field formation, but this will also help in reducing interaction between taxpayers and taxmen and helps in the speedy generation of revenue.
5	**Pakistan Ethanol Manufacturers Association (PEMA)**	Sales Tax on Molasses	Pakistan is facing a "Sugar Cane Molasses" shortage	Sales Tax on the purchase of local raw material (Molasses) should be waived completely.	Ethanol is a Value Added Product. Around 95% of the total production of ethanol is being exported worldwide whereas only 5% is being sold locally. Total 19 ethanol distilleries are working in Pakistan but all of them are working on 60% of their current production capacity due to shortage of basic raw material.
6	**Pakistan Cutlery & Stainless Utensils Manufacturing and Exporters Association**	Increase Rebate/ Duty Drawback	Cutlery & Stainless sector is facing severe crises due to increased utility prices and inflationary pressure. The increasing prices of raw materials in international markets and control of non-availability of raw materials in local and international market is concerning. Due to inflationary pressure, the cutlery sector is facing a hard time competing with other countries in the international market.	The rebate on the export of cutlery and kitchen wares in Pakistan Cutlery Sector Wazirabad should be enhanced to 9%	It will be beneficiary as the prices of the raw materials will be less than before. It will help in promoting the brand image. The 9% rebate will enable the manufacturers to pay 6% markup on the loans paid to the SBP.

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			Currently, local units with sales of up to 10 million are exempted from 17% GST. Due to the lower limit of 10 million and higher income tax, many of the small units are not registered under the tax base.	it is proposed that the exemption limit should be raised from Rs. 10 million to Rs. 30 million and 1% income tax should be applicable	
		Exemption limit of GST	Cutlery Sector is known for its Cottage Industry where most of the units are working without any name. Due to 17% GST only on Rs. 10 Million and 1% income tax from local manufacturers, audit cases, industries do not register their units FBR to avoid import and other taxes.	The exemption limit must be increased from Rs. 10 million to 30 Million.	The production cost is more than @35% compared to China, Bangladesh, & India. Such a reduction might help in exports. The local industries may improve their production and exporting quantity. Crucial working capital is being wasted on imports.
		GST on imported units	Local Cutlery Manufacturers in Wazirabad use imported raw materials from China & India. After imports of raw materials, the local manufacturers add the further value/ cost after addition in value cost for sale in local and international markets.	The GST on imported raw materials used in local units of Pakistan's Cutlery sector should be reduced from 17% to 5%. Upon 5% charge, the Local Cutlery Industry will be free from refund processing, after value added cost.	The local industries may improve their production and export.
		Restoration of DLTL	The government has not revised DLTL DRO NO. 711 regarding local taxes and levies drawback (non-textile) order, 2018. Under this exporters can avail the 5% facility (2.5% on export performance and a further 2.5% next year in case of enhanced export)	We request to restore DLTL facility for export enhancement.	

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8	**All Pakistan Fertilizer Dealers Association (APFDA)**	Section 10	As per current business practices on several occasions, refunds of registered persons are stuck up with the Department in the form of sales tax refund while he is required to pay income tax on an annual or quarterly basis.	A well-defined procedure of inter-department adjustment is to be defined so that the taxpayer may make payments after netting credit of receivables under any Heads.	As a point of double taxation and further tightening of taxpayer cash flows the taxpayer has to bear the burden of making payment of income tax liability whereas his own money is held idle with the department in the shape of refunds.
9	**Pakistan Association of Large Steel Producers (PALSP)**	Section 8 B	This section is blocking the working capital of the steel sector plus deterrence of documentation for retailers and distributors	Section 8 B of sales tax may be withdrawn from steel sector (manufacturing and retailers)	- Prevent Steel industry from closure and Avert the halt of other 45 allied industries. - Help in Retaining millions of jobs and avoiding massive unemployment - Allow stability of steel prices that will benefit government infrastructure and low-cost housing schemes - Evading expected acute shortage of steel bars in the country. - Insulate companies that are on the brink of bankruptcy and that may never be able to start again - Government's revenue will increase - Help industry to scale up operations and support the construction sector
		Section 73 (4)		Section 73 (4) should be rationalized and input tax should not be deprived off if the registered person mentions the CNIC number or NTN of the unregistered person in sales tax invoices	
		Serial No. 3 of 13th Schedule (Minimum Production)		Withdraw the concession of 85% weight assessment of imported ship weight	
				No Further extension of FATA/PATA Exemptions	
10	**Pakistan Yarn Merchants Association (PYMA)**	**PCT Code** 5202-1000, 5205 & 5206, 5402-1900, 5402-2000, 5402-3300, 5402-3400, 5402-3900, 5402-4600, 5402-4700, 5402-4800, 5402-4900, 5402-5200, 5403-3100, 5403-3200, 5509-1100, 5509-2100, 5509-3200,	At the Sale stage, 90% Sales Tax adjustment instead of 100% will create a Financial burden on the Manufacturers & User Industry. There is no VAT on industrial importers but 3% on commercial importers, which leads to the abuse of non-uniform laws. Currently, 18% sales tax and 3% VAT on commercial importers are charged.	17% Sales Tax, No VAT	**1).** FBR promised to exclude them from Section 8B and/or allow them an adjustment of 100% but did not deliver. **2).** The 3% value addition sales tax at import stage by Commercial Importers is utterly unreasonable on the import of Raw Materials because it is impossible to sell a commodity like yarn at gross profit margin of 17-18%. Commercial importers of yarn sell their goods in same state to small and medium enterprises at margins ranging between 2-5% and this tax is an unnecessary burden and doesn't take into the ground realities of our trade and hence there is a compelling case that the 3% value addition tax at import stage for Raw Materials like yarn should be withdrawn.

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		5509-5100, 5509-5200, 5509-5300, 5510-1100,			
11	**Sitara Chemical Industries Limited**	Section 8(1)(h) Tax credit Not Allowed	Input tax adjustment/refund is not allowed against the purchase of building materials including cement, bricks, paints, varnishes, distempers, etc.	Materials specified in the section should be allowed as input tax adjustable. Input tax adjustment/refund against building material should be allowed to manufacturers, particularly on production/ process-related buildings, etc.	These are legitimate goods/ materials used for a taxable activity.
		12th Schedule (Section 7A, Subsection 2)	Additional sales tax @ 3% at the import stage	This should not be charged to the manufacturing sector	It increases the cash burden on manufacturing resulting in increased cost of doing business
		Sales Tax General Order No. 34/2010	ST General Order #34 of 2010 states that input tax adjustment/refund is not allowed against purchases from Non-Active Taxpayers. This means that the supplier's status is converted into the list of non-active taxpayers when the customer is filing a monthly tax return. The online system of FBR does not allow for adjustment for the input tax.	The input tax adjustment should be allowed against purchases from non-active taxpayers as the buyer has already paid the Input Tax to the supplier. Appropriate amendments in the clause should be made to restrict input tax adjustment if the purchase is made from blacklisted taxpayers only.	To enhance exports, the cost of doing business with corporate units should be reduced
		Section 66 Refund to be claimed within one year	No refund of tax claimed to have been paid or overpaid through inadvertence, error, or misconstruction or refund on account of input tax adjustment not claimed within the relevant tax period shall be allowed unless the claim is made within one year of the date of payment.	A special mechanism should be introduced to adjust the input tax where tax is already deposited by the registered supplier.	Timely adjustment/refund of valid tax claims would increase the liquidity of the company which ultimately would enhance their productivity and exports.
		Section 10 Refund of Input Tax	As per current business practices on several occasions, refunds of registered persons are stuck up with the department in the form of sales tax refund while he is	All taxes within the umbrella of FBR should be allowed to be adjusted with each other.	Taxpayers struggle to pay taxes when refunds are due from the department under other tax laws. It will reduce the cash burden on taxpayers resulting in increased activity.

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			required to pay income tax on an annual or quarterly basis.		
		Section 10 Refund of Input Sales Taxes		It is proposed that all backlog of refunds should be cleared as soon as possible. The refund bonds announced by the Government for exporters may also be provided to other businesses as well.	This situation creates a severe financial hardship for the companies through their working capital requirements. Government cash flow issues will be reduced as adjustment of Refunds allowed against any receivable taxes. Better Cash flows for doing business.
		Section 7	Further Tax is not adjustable against input tax.	Further Tax may be adjusted against input tax.	It simplifies the process of adjustment and helps in the smooth running and operations of the business.
		Section 3	Increased Sales Tax rate of 18%	The Sales Tax rate may be reduced from 18% to 15%. In subsequent years, the sales tax rate may be reduced and brought down to a single digit.	The high sales tax rate on inputs results in a high cost of production, and high prices of food items, and other necessary consumer products. This will also decrease end-consumer costs.
12	**Pakistan Cotton Ginners' Association (PCGA)**	Sales Tax on Raw Cotton and its By-products	It is pertinent to mention that imposing a sales tax on Cotton Seed Oil and Cotton Seed will increase food prices which have already soared in the last year. Cotton seed is used as edible oil and food for dairy cattle.	It is proposed to remove sales tax on cottonseed and cottonseed oil. It is also requested that the fixed charges on the Ginning Industry be removed. Exemption of sales tax on Electricity Bills of Ginning Industry is also recommended.	(i) Oil and milk prices will go up resulting in an inflationary pressure which is already at its high level. (ii) The removal of tax on the cotton seed will discourage farmers from sowing other crops. Consequently, reducing our dependency on imported cotton worth $2 billion in FY23 (iii) Cotton seed oil will also be the cheapest source of locally produced edible oil and feed for dairy cattle. This will reduce the burden of $7 billion (borne in FY23) from import bills. (iv) Wheat is the rotational crop of cotton. And If cotton gets replaced by other crops and its area is decreased, wheat production for the next season will get adversely affected. (iv) Cotton sticks are used as fuel substituting wood and the use of imported LPG. (vi) Textile sector is the biggest employment provider in Pakistan. Decreased Cotton production severely hits employment.

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					Total economical impact of cotton crop: Cotton Imports (2022-23) = 2.5 Billion US$ Edible Oil (2022-23) = 7.0 Billion US$ Animal Feed (2022-23) = 500 Million US$ Wheat (2022-23) = 02 Billion US$ Total burden on Foreign Exchange = 12 Billion US$ Cotton sticks used as Fuel = 200 Billion Rupees
13	**Multan Chamber of Commerce & Industry (MCCI)**	Section 3	The 18% tax rate is a burden on the consumer, while the 3rd schedule increases it to 23%, which is passed on to the consumer if supplies are made to unregistered persons. Additionally, a Further Tax of 3% is definitely passed on to consumers if supplies are made to unregistered persons.	Further Tax Rate of sales tax should be reduced	Until the Sales Tax rate is not brought to one digit, the retailer/ manufacturer/ importer will keep himself out of the tax net. The high rate is the reason for the total chain to report less and collect High sales tax rates lead to the accumulation of wealth in a few hands, leading to exploitation by traders and industry.
		Section 8B Adjustable Income Tax	The registered taxpayer has been forced to pay at least 10% of the output tax regardless of the available input tax. This leads to Unnecessary blockage of capital and carry forward of sales tax leads to fictitious demand.	Section 8B should be deleted from the Act or Otherwise, the input tax adjustment be allowed up to 95% of the output tax.	In this way, the taxpayer will not declare wrong information and not try to deceive FBR.
		Section 21 Deregistration, blacklisting, suspension of registration	Commissioner Inland Revenue has unlimited power to suspend and blacklist sales tax registration numbers if they fail to file returns for two months, which is likely to be misused.	The power of suspension and blacklisting of registration of taxpayers should be withdrawn from the commissioner.	It will encourage the taxpayer as the proper procedure for black listing is followed. The taxpayer continues its normal business operations because its invoices will be properly entertained for input tax credits and tax refund claims.
		Section 26(3)	Revision of sales tax returns is difficult due to complex procedures.	The revision procedure should be easy just like the Income Tax return (the return may be revised within 60 days after filing the return) / No need of permission from the Commissioner	This step increased the confidence of the taxpayer and he may able to correct its record timely. This helps him in the audit because his record will be corrected.
		Section 10	As per current business practices on several occasions, refunds of registered persons are stuck up	A well-defined procedure of inter-department adjustment is to be defined so that the	As a point of double taxation and further tightening of taxpayer cash flows the taxpayer has to bear the burden of making payment of

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			with the Department in the form of sales tax refund while he is required to pay income tax on an annual or quarterly basis.	taxpayer may make payments after netting credit of receivables under any Heads.	income tax liability whereas his own money is held idle with the department in the shape of refunds.
		Section 73		It is recommended such anomalies may be taken care of and removed. It is not out of place to state that the tax is paid on a monthly basis on the basis of return and there are judgments of input tax where payments are made after 180 days.	The genuine taxpayers will be benefitted and it will restore their confidence.
14	**Sarafa Zargaran Gems & Jewellery Traders & Exporters Association KP**	Remedy for Small Jewellery Retailers	The transfer of Jewellery retail shops over 300 sft to the Tier-1 category is unfair and discriminatory on the following grounds: 1. Government has virtually obstructed the legal import of precious metals for years through S. No. 16 of Part II of consecutive Import Policy Orders, therefore, no retailer has any official purchase. FBR has no clue to as to how retailers can raise Sales Invoices under POS when there is no legal stock in the books 2. Government has no justification to isolate Jewellery Retail Sector by setting a threshold of 300 sf where Other sectors enjoy threshold of 1000 sft and Furniture sector enjoys 2000 sft. 3. Discriminatory law discriminates between general traders and jewelers. 4. Discrimination in Jewelry Retail Sector, requiring customers to pay extra for larger shops.	It is requested to reconsider reverting the budgetary measure which has caused devastating implications during the year 2022-23 and reinstate the old threshold of 1000 sft for jewelry retailers who may be taxed through their monthly electricity bills as per the following formula: Monthly Electricity Bill – (MEB) % of ST/IT 23-24 – (**) % of ST/IT 24-25 – (***) **MEB** ** *** Upto Rs. 10000 10 12.5 Upto Rs. 30000 12.5 15 Upto Rs. 50000 15 17.5 Above Rs. 50000 17.5 20	

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			5. Law must be reconsidered due to post-covid and inflation. 6. Precedence exists as the law was passed for fixed tax on general traders was taken back vide Presidential Ordinance notified by FBR vide C. No. 3 (I) ST-L&P/2019 (Pt) dated 24th August 2022.		
15	**All Pakistan Oil Mills Association (APOMA)**			It is proposed that 18% sales tax on Canola oil, Sarson Oil, and other local edible oils should be waived. Instead, we suggest imposing heavy duties on all imported oils.	This will support local industry by incentivizing the consumption of local oil, allowing farmers to prosper and benefit from the local industry. It will save foreign exchange, cattle will have access to economical fodder, allow the local industry to flourish and the country will be self-sufficient in edible oil.
16	**All Pakistan Corrugated Manufacturers Association**	Sales Tax Refund	Our sales tax refunds are being late considered, manufacturing costs have skyrocketed which has affected our cash flow.	It is requested to nominate an officer who will manage the sales tax refunds of corrugated. It is urged that government to address this issue as soon as possible so that corrugated industry can be self-sufficient in managing its financial crises.	
		Sales Tax on Machinery	Industries are the backbone of the economy and generate foreign exchange, but required to pay heavy taxes on the import of machinery.	It is urged that the government exempts sales tax on machinery.	
		Sales Tax on Paper Waste (4707010)	Street hawkers collect waste and provide paper to corrugated manufacturers. The sales tax on paper waste was 5% at the beginning but later on, it has been increased to 17%.	It is requested that the sales tax should be reduced from 17 to 5 percent for corrugated manufacturers.	
		Sales Tax on Registered Industry	Corrugated packaging is a very big industry containing 70% unregistered and 30% registered units.	It is proposed that the government reduce the sales tax from 17% to 5% for registered industry. Sales tax rate of 8% should be levied on unregistered companies.	

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17	**Pakistan Printing and Packaging Business Forum (PPPBF)**		Industries are the backbone of the economy and generate foreign exchange, but required to pay heavy taxes on the import of machinery.	It is urged that the government exempts sales tax on machinery.	
			Our sales tax refunds are being late considered, manufacturing costs have skyrocketed which has affected our cash flow.	It is requested to nominate an officer who will manage the sales tax refunds of corrugated. It is urged that government to address this issue as soon as possible so that the corrugated industry can be self-sufficient in managing its financial crises.	
18	**Pakistan Tanners Association (PTA)**	DLTL Scheme	DLTL scheme which was discontinued in July'21	Immediate restoration of DLTL scheme which was discontinued from July'21 with the inclusion of "Leather" @ 5% irrespectively for which all work has already been completed earlier for a due announcement with SRO.	
		SRO # 1125		Reinstate the Zero Rated Status for the Leather Sector of Pakistan among rest five sectors of the country with immediate effect along with restoration of SRO # 1125, which was revoked earlier by the Government otherwise to consider a reduction of Sales Tax from 17% to 5% at least for Leather Sector of Pakistan, which is 95% export oriented sector of the country.	
		Annex C	Currently, No Annexure is available for indirect export, resultantly there is No option except to declare indirect export in Annex - C which is for local sales.	Separate Annexure should be added to Sales Tax Return to declare indirect export.	
		Section 170		Income Tax returns under section 170 should be processed	

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				through the automated system like a sales tax refund.	
		12th schedule of Sales Tax	3% Additional Sales Tax	The 3% additional sales tax should be abolished	
				1. Separate annexure should be added in sales tax return to declare indirect export. Currently, No Annexure is available for indirect export, resultantly there is No Option except to declare indirect export in Annex-C which is for local states. 2. Removal of advance tax collection from the exporters/ commercial exporters, which is completely irrational under the prevailing circumstances where the import is halted for the approval of SBP for the import L/c's.	
		Harmonized Tax Authority	Sales tax is charged by FBR. PRA, SRB, BRA and KPRA. Every tax authority has it different statute, rules and procedures. It is very difficult for tax payer to maintain tax compliance in this complex system.	There must be one authority instead of five authorities for the collection.	
19	**Karachi Association of Sweets and Nimco (KASAN)**	Through finance Act, 2022 a highly discriminatory amendment is made in entry No. 7 of table II of the sixth schedule to the sales tax Act, 1990	Before: "Breads, Vermicillies, Nans, chapattis, sheer mal, bun and rusk excluding those sold in bakeries, restaurants, food chains and sweet shops falling in the category of Tier-1 retailers." After: "Vermicillies, sheer mal, bun and rusk excluding those sold in bakeries and sweet shops falling in the category of Tier-1 retailers."	Tier 1 retailers (Bakeries) are handful all over Pakistan, when we are integrated with FBR POS System exempt sale are clearly shown and since exemption is allowed to all others why the same cannot be extended to Tier 1 retailer	FBR only tightens the screws on honest taxpayers, leaving other sectors to play with the law as they please. All the ingredient of the Rusk, like Maida & Flour are exempted from sales tax. The burden would fall on us as tier 1 retailer, since the customer would not accept 18% sales tax on Rusk from us when it is available and lessor cost next door, of from company packaged production

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			An otherwise exempt item namely Rusk, necessity is now taxed only when sold by tier 1 retailer. This has rendered us uncompetitive, as compared to anyone who is selling the same product next door and company supplying in packaged form.		
20	**Sharhad Chamber of Commerce and Industry, PESHAWAR**	Misuse of Tax Exemptions by Industries in FATA/ PATA	Exemption for industries based in erstwhile FATA/PATA was announced in 2018 on imports of certain raw materials for their consumption under SRO 889 (I)/ 2018, 1213 (I)/ 2018, and finally through Finance Act, 2019	The exemptions should not be extended beyond June 30, 2023. Instead, this amount should be spent on the promotion of IT Sector	Misuse of tax exemptions by industries is hampering the competitiveness of industries based in the rest of Pakistan.
21	**Aisha Steel Mills Limited**	Misuse of Exemption under Serial #151 of Table 1 of 6th Schedule	This exemption under Serial#151 of Table 1of 6th Schedule inserted in consequence of SRO 1212(I)/2018 dated Oct 5, 2018 on the import of industrial inputs in Tribal Areas and supplies has been detrimental to the revenues of FBR. A significant portion of materials imported without paying sales tax on import stage for FATA/ PATA and being sold outside the region which are not exempted from the tax. The current IOCO system and submission of bank guarantees & PDC's have proven to be ineffective.	It is suggested to discontinue the exemption beyond June 2023. Alternatively, all imports including those for FATA/ PATA should be subjected to full payment of sales tax in cash, with refunds being provided upon submission of the evidence demonstrating the utilization of these materials in industries located in FATA/ PATA. Instead, supplies to FATA/ PATA from tariff areas should be declared to zero rated and added in 5th Schedule of the Sales Tax Act 1990. This will result in level playing field to importers and local suppliers of materials.	This has put LOCAL CRC and GP Industries at disadvantage impacting their sales and affecting the revenues of the FBR. It is estimated that each year around 100,000 MT plus HRC, CRC, GP, & PPGI imported by FATA/PATA supplied to non-exempt markets of Pakistan resulting in shrinking market share of regulated and tax paying steel industry to approx. 40%. Implementing a cash payment system for sales tax would initially impact the revenue of FBR positively.
		Inter-Tax Refund/ adjustment procedure	It is believed that Inter-tax adjustment is available through Circular No. 3(6) ST-L&P/2002 dated April 24, 2007. However, after centralization of refund procedure introduced by FBR, the said circular is not being followed/ effective by the field offices.	It is proposed to introduce enabling provisions/ amendments in the Income Tax, Sales Tax, FED Act. And Customs Laws to achieve the objective of the inter-tax refund adjustment.	Significant Cash flows are tied up with the Inland Revenue in the form of refunds, while taxpayers are still required to pay their sales tax liability.

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22	**Pakistan Chemical & Dyes Merchants Association (PCDMA)**	Additional Sales Tax	Commercial Importers have now been excluded from purview of section 8B. As per this clause now 90% output is adjusted and 10% again has to be payable with monthly return, which causes liquidity problem and it should be abolished.	Commercial Importers pay 3% additional Sales Tax at port which is very high so it should be deleted. There should be uniform rate of Sales Tax i.e. 5% on all product and all the sector and there should be no refund or adjustment	
		Further Tax On Sale of Raw Material to Unregistered		It is proposed that 3% further Tax on sale by Commercial Importers to unregistered person should be withdrawn, and reduced to 1%.	The 3% rate encourages issue of flying invoices, which is a great Loss to national exchequer.
		GST Rate		We suggest that the rate should be single digit while items of SRO 1125 should be zero rated	
			If any company/individual /AOP was registered in Sales tax but now is filling Null return, since last five/ten years, as is not doing that particular business anymore.	They must get a facility to deregister from Sales Tax without any kind of audit in an Easy Exit Scheme, as they are not into that business anymore and have switched their business. For example, they have switched their business to something related to the service sector i.e. Commission/ Brokerage and have already registered themselves in the Sindh Board of Revenue or Punjab Board of Revenue etc.	
23	**Pakistan Tea Association (PTA)**		Since the last few months we have seen an increase in smuggled goods /Misuse of FATA/PATA /ETC in Pakistan we the tea traders' blenders is also its victim.	1. FTA with Kenya to avoid misuse of smuggling/FATA/PATA. 2. Tea is used as raw material whereas maximum retail price tax is taken at import stage. Tea in packing of more than 5 kg should not be considered as	Pakistan is one of the largest importers of black tea and is importing tea from Kenya at the tune of US$ 600 million annually and at the same times it is exporting rice for US$.300 million to Kenya FTA with Kenya will boost imports / exports, discourage smuggling & misuse and also tackle inflation in the country along with

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue	Proposed Amendment	Rationale / Justification
				retail packing and MRP should be abolished and collected only at retail packing less than 5kg if at import stage. 3. Level playing field for importers 4. Extension should not granted to FATA/PATA after June 2023.	increasing net revenue for the government of Pakistan which is suffering losses due to the growing smuggling& misuses. It will prevent misuse of exemptions which significantly increase revenue. It will provide a major relief to masses as tea is an essential food item for all.
24	**Sialkot Chamber of Commerce and Industry**	Serial # 4 of 11th Schedule *Abolition of 5% Withholding Sales Tax on Companies against purchases from unregistered persons.*	It is obligatory to clarify that Sales Tax is a tax on consumption; whereas, the exported goods are meant for consumption in another territory / jurisdictions; hence, there is no legal justification of levying Sales Tax on exports. It is reiterated that withholding tax provisions are transitional and are meant to broaden the tax base through identification of new taxpayers. However, in our opinion, various amendments introduced by Finance Act, 2019, like condition of CNIC and criteria for sales tax registration of manufacturers falling in the category of the cottage industry, are sufficient for broadening of tax base, if those provisions are implemented in true letter and spirit.	Implementation of 5% withholding Sales Tax on Corporate Sector against purchases from unregistered persons is unjustified. It is emphasized that Export-Oriented Companies should be completely exempted from levy of withholding sales tax with retrospective effect as export sector is principally exempt from levy of Sales Tax globally as per International Norms. Moreover, a relief has been provided to the Surgical Industry by providing exclusion from July 2022 but other Export Companies are still facing problems. Hence, it is desired that description of the Withholding Agent under Serial # 4 of the Eleventh Schedule to the Sales Tax Act, 1990, may please be amended to add the words "excluding Exporter Companies with retrospective effect i.e. w.e.f. July 1, 2019." to provide relief to all Exporter Companies. It is worth mentioning that exporters have already been excluded from the obligation of Withholding Income Tax u/s 153 by virtue of clause 45 of part IV of the second schedule.	Exporter Companies should not be burdened with such high rates of withholding Sales Tax as it would discourage corporatization process. Companies should be provided level playing field with AOPs and Sole Proprietor businesses.

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue	Proposed Amendment	Rationale / Justification
		Section 4 *Revival of Zero Rating of Sales Tax for five export-oriented sectors.*	The Zero Rated Sales Tax Regime for five export-oriented sectors had been very beneficial for the export sector in the past and there is a dire need to revive the same. It is anticipated that the revival of the Zero Rated Sales Tax Regime would help exporters utilize their liquid resources for conducting necessary business operations instead of getting their funds stuck in Sales Tax refunds.	The Zero Rating of Sales Tax should be revived for Five Export Oriented sectors including Sports, Surgical, Leather, Textiles and Carpets to provide relief to the export industry.	This would help in overcoming their liquidity and cash flow problems due to the current economic crisis and withholding of Sales Tax at different stages of value addition. This would also help the Government avoiding the futile exercise of collecting Sales Tax on value addition of goods meant for export and then deploying valuable resources to make arrangements for its refund.
		Clause (b) and (c), sub-rule (1), rule 10 of SRO 327(I)/2008 dated March 29, 2008 *Revival of Zero Rating on inputs under SRO 327 (Export Oriented Unit).*	FBR has withdrawn the Zero Rating facility on local procurement of input goods by Export Oriented Units through amendment in SRO 327(I)/2008 dated March 29, 2008, through SRO747(I)/2019 dated July 9, 2019. Clause (h) of SRO 747(I)/2019 has omitted Clause (b) and (c) of sub-rule (1) of rule 10 of the original SRO 327(I)/2008.	It is proposed that Clause (b) and (c) of sub-rule (1) of rule 10 of SRO 327(I)/2008 should be restored to revive zero rating facility for EOUs against local procurement of inputs.	
		Serial # 102 of Table -1 of the Sixth Schedule *Restoration of Zero Rating on Supplies to Export Processing Zone*	The businesses in Sialkot Export Processing Zone have been facing problems due to withdrawal of zero rating of Sales Tax on supply of items through deletion of serial # 102 of Table -1 of the Sixth Schedule to the Sales Tax Act, 1990. The business community has shown serious reservation on the amendment as it is against the very spirit of EPZ concept i.e. procurement of inputs free from duties and taxes.	It is therefore desired that Serial # 102 in Table-1 of the Sixth Schedule to the Sales Tax Act, 1990 be restored to provide relief to industrial units in EPZ.	It is argued that withdrawal of facility has generated little revenue to the Government but resulted in great hassle to the export business in EPZs.
		Section 21(3) *Amendment in*	No person can claim input tax adjustment against purchases if his	It is proposed that Section 21(3) should be amended to exclude	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue	Proposed Amendment	Rationale / Justification
		Section 21(3) of the Sales Tax Act, 1990, to exclude inadmissibility of invoices issued before suspension / blacklisting	supplier has ultimately not paid / deposited its output tax while filing its sales tax return. Thus, question regarding claim of input tax adjustment against suspended / blacklisted unit, does not arise in the present mechanism of filing of returns as provided under Section 7 of the Sales Tax Act, 1990	inadmissibility of invoices issued before suspension / blacklisting as the said provision is redundant in the presence of criteria of input tax adjustment provided in section 7 of the Sales Tax Act 1990.	
		Section 14 *Reintroduction of concept of voluntary registration*		It is proposed that concept of Voluntary Registration should be re-introduced whereby manufacturer was allowed to apply for Sales Tax Registration irrespective of any limit of Sales or Utilities, for facilitation to the manufacturers cum exporters.	
		Section 73 *Allowance of Refund of Sales Tax in special cases where payment in a credit transaction is not transferred within 180 days of issuance of tax invoice due to existence of special credit terms.*		It is proposed that Section 73 of the Sales Tax Act, 1990, should be suitably amended to allow refund of Sales Tax in special cases where exporter has not realized export payments and payment to suppliers are delayed beyond 180 days due to existence of special credit terms with the customer abroad.	
		Rule 11 of the Sales Tax Rules, 2006 *Waiver of penalty on non-filing or late-filing by null return filers*	There are number of small exporters who are registered with sales tax only to avail the facility of WEBOC but could not file Null returns. There is no loss of revenue due to non-filing of such returns; hence no penalty should be charged. Moreover, filing of Null return every month is problematic and cumbersome.	It is proposed that penalty should be linked with the tax liability involved. Moreover, the Commercial exporters who do not claim input/output tax and are not liable to be registered should be allowed to be registered with WEBOC without registration under the Sales Tax Act. The government has recently	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue	Proposed Amendment	Rationale / Justification
				reduced the filing frequency of Withholding Statements and it is proposed that the filing frequency of Null returns should be reduced to biannual or quarterly.	
		Section 10 *Integration of systems of Punjab Revenue Authority (PRA) and Federal Board of Revenue (FBR) to allow refund of sales tax on Services paid by exporters.*	Exporters have been unable to claim a refund of sales tax paid on services to the provincial revenue authority (PRA) due to the non-integration of electronic systems of PRA and FBR.	It is recommended that both systems be electronically integrated well so that exporters could claim refunds/adjustments of Sales Tax paid on Services to relevant provincial authorities.	
25	**Pakistan Chemists & Druggists Association (PCDA)**	*Anomaly with respect to the confiscatory 3% Minimum Value Addition Sales Tax on Import of Finished Pharmaceutical Products*	Through Finance Bill 2022, a 3% Advance Sales Tax/VAT has been levied on imported pharmaceutical products at the custom stage. Unlike other imported products charged with this additional sales tax at the custom stage, importers of finished pharmaceutical products are not permitted by the DRAP rules to pass on this sales tax to the end user.	ST is confiscatory and an anomaly that needs to be corrected. It is proposed that the 1% GST and 3% Value Added Tax levied at the import stage on the Finished Pharmaceuticals and Biological products should be abolished and all such products should be transferred from the 8th schedule to the 5th schedule (0% Sales Tax).	During these difficult times when the fixed ceiling prices of such products have become unworkable in light of the massive devaluation of the Pakistan Rupee, this is impossible for importers of finished pharmaceutical products to absorb such a sales tax levy. Above 98% of such products are not locally manufactured and have no locally available substitutes. There could be a severe shortage of finished pharmaceutical products, which are critical to many medical specialties, including oncology, anesthesia, plasma product therapies, vaccines, specialized hormones, cardiovascular products, and more.

Customs

Sr. No.	Name of Trade Body / Stakeholder	Proposals / Suggestions (Customs Related)
01.	**M/s Cosmopack (Pvt.) Ltd.**	**1.1. PROPOSAL OF TIN PLATE SHEET AND CANS FOR AEROSOLS**

Issue:

Aerosols Cans Filling Industries in Pakistan import -60 million Units of empty aerosol cans per year worthing -10 million US$. Aerosol cans are widely used in Household insecticides, disinfectants, Air fresheners, paints and various other products. Currently the industry confronting a challenge that relates to budget anomaly as detailed in table below.

Description	HS Code	Duty	Additional Duty	Regulatory Duty	Total Duties
Tin Plate Sheet	7210.1290	11%	2%	5%	18%
Empty Tin Plate Cans	7311.0040	11%	2%	-	13%

From above table, it is evident that the duties on empty aerosol cans (finished product) is lower than the Raw Material (Tin plate sheet) which is used to produce aerosol cans. This anomaly is discouraging for the local ma..,ufacturing of aerosol cans which is reflected in low utilization of our plant capacity as well.

Suggestion:

It is proposed to re-consider the tariff duty structure by relaxing duties on the Tin plate sheet and enhancing duties on finished Aerosol tin cans as under:

Description	HS Code	Duty	Additional Duty	Regulatory Duty	Total Duties
Tin Plate Sheet	7210.1290	11%	2%	Nil	13%
Empty Tin Plate Cans	7311.0040	20%	6%	10%	36%

Benefit:

This will help in supporting further localization of Aerosol Tin Cans and will attract further investments. The same will also lead to generation of local employment and enhancement of country's GDP. It also has potential opportunities for export of Aerosol cans globally which will be a source of earing U SD via export.

<table>
<tr><td>02.</td><td>M/s Agha Shahid & Associates, Consultant / Advisor on Tax matter, Karachi</td><td>2.1. <u>PROTECTION TO LOCAL INDUSTRY BY RATIONALIZING DUTIES ON CALCIUM CARBIDE PCT CLASSIFICATION</u>

M/s Ranipur Sugar Mills Pvt. Ltd., District Khairpur Sindh is going into production in couple of months with an annual production of 10800 MT as against the annual requirement of Pakistan around 1100 MT. The unit requested to review the concessions on import of calcium carbide (HS Code 2949.1000) wherein standard rate of duty is 3%. However, as per concessions available in various regimes is as under:

a. Pak-SriLanka FTA concession 100%
b. Pak-Malaysia FTA concession 20%
c. Pak-China FTA concession 5%

Under above concessions the unit may not compete with the imported goods and requested rationalization of duty structure by imposing RD @ 15% on import stage. This review will save foreign exchange and additional jobs made available locally.</td></tr>
<tr><td>03.</td><td>All Pakistan Motorcycle Spare Parts Importers & Dealers Association (APMSPIDA)</td><td>3.1. <u>ADDITIONAL DUTY ON IMPORT OF MOTORCYCLE SPARE PARTS</u>

<u>Issue:</u>
<u>Additional duty 11% by </u>SRO No 693(1)/2006 dated 01.07.2006 Rescinded SRO No.484 (1)/2016 dated 29.06.2016 on import of motorcycle spare parts.

<u>Facts:</u>
<u>The SRO was issued for the Localization of motorcycle Industry in 2006. Manufacturer claimed that 90% Localization achieved after that they are out of this SRO while Importers are still facing it.</u>

<u>Proposals:</u>
• There is no justification for 11% additional duty on motorcycle aftermarket parts at import stage.
• While higher rate of duty 35% is already in place.
• Raw material of Auto parts subject to 1% duty
• Finished goods should be 20% duty without any Additional duty.</td></tr>
<tr><td>04.</td><td>Pakistan Ethanol Manufacturers Association (PEMA)</td><td>4.1. Complete ban should be imposed on export of “Sugar Cane Molasses” which is basic raw material of local Ethanol Industry for production of value added product “Ethanol”.

4.2. Custom duty should be exempted on import of equipment/plant/technology required for expansion of Ethanol distillery to enhance the production capacity as well as chemical used for production of Ethanol.</td></tr>
<tr><td>05.</td><td>Pakistan Tanners Association (PTA)</td><td>5.1. Immediate restoration / reinstatement of DLTL scheme which was discontinued from July, 21 with inclusion of Leather @ 5% irrespectively for which all work has already been completed earlier for due announcement with SRO.

5.2. Reinstate the Zero Rated Status for Leather Sector of Pakistan among rest five sectors of the country with immediate effect alongwith restoration of SRO # 1125, which was revoked earlier by the Government otherwise to consider reduction of Sales Tax from 17% to 5% atleast for Leather Sector of Pakistan, which is 95% export oriented sector of the country.

5.3. To avoid cumbersome procedure for the import of Sodium Sulphide from China, which is fundamental basic chemical for the Tanning Industry for processing of raw hides & skins for value addition.</td></tr>
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5.4. Removal of irrational Quarantine Condition which is in duplication as re-imposed in the Import Policy issued in April, 2022 for the import of basic raw materials such as wet blue, hides & skins, pickled leather for necessary value addition for re-export to the world for foreign exchange.

Changes in Customs Tariff

PCT No.	Description	Tariff Rate of Duty 2022-23	Proposed Rate of Duty 2023-24	Brief Justification / Rational for Change	Suggested to be Changed through SRO or otherwise
8208.9090	Splitting/having/ fleshing blades	20%	3%	Blades are not being manufactured locally more than 1500mm and quality is also not good, Duty cost is very high which is increasing the cost of their product. They are not geeting rebate on Blades. Govt, is offering rebate only on Chemicals.	Change through tariff.
6805.2000	Buffing Papers	20%	3%	Buffing papers are not being manufactured locally. Duty cost is very high which is increasing the cost of their product. They are not getting rebate on Buffing Papers. Govt. is offering rebate only on chemicals.	Change through Tariff.
5911.9090	Felts	3%	0%	Felts are not being manufactured locally. Duty cost is very high which is increasing the cost of their product. They are not getting rebate on Felts. Govt. is offering rebate only on chemicals.	Change through Tariff
5910.0000	Staking Belts	11%	0%	Staking Belts are not being manufactured locally. Duty cost is very high which is increasing the cost of their product. They are not getting rebate on Belts. Govt. is offering rebate only on chemicals.	Change through Tariff
4010.1900	Rubber Conveyor Belts	16%	0%	Rubber Conveyor are not being manufactured locally. Duty cost is very high which is increasing the cost of their product. They are not getting rebate on Belts. Govt. is offering rebate only on chemicals.	Change through Tariff
8421.9990	Parts	20%	3%	Parts for filtering are not being manufactured locally. Duty cost is very high which is increasing the cost of their product. They are not getting rebate on Belts. Govt. is offering rebate only on chemicals.	Change through Tariff

Changes in Rules / Procedures

Sr. No.	Existing Rules / procedure	Suggested Change	Justification / Rationale for change	Impact of change
1	SRO 967(I)/2022 additional customs duty 2% on product under duty rate from 3% to 11% 4% on products under duty rate 16% 6% on products under duty rate 20%	ACD rates should be reduced as under: 0% on products under duty rate from 0% to 11%. 2% on products under duty rate 16% 4% on products under duty rate 20%	ACD is not being refunded through duty drawback scheme.	
2	Customs is charging customs duty and taxes on CFR (product price + freight) value of invoice	Custom duty should be charged at net value of product (FOB value)	Freight is not part of the product price. So, duty and taxes must not be charged on the amount of freight. It will help in reducing per SF price of finished leather and getting export orders.	

06. **Pakistan Cutlery And Stainless Utensils Manufacturers And Exporters Association Wazirabad (PCSUMEA).**

6.1. Suggestion – Exports Enhancements

The package for enhancement of export in Federal Budget 2023-2024 minimum Rs. 5,000/- millions availability of loans especially without interest be specified for the development / improvements of Pakistan Cutlery Sector by the worthy Prime Minister of Islamic Republic of Pakistan.

Advantages of Proposed Suggestions in Practical

@ 70% raw material is being import from China in the local units of Pakistan Cutlery Sector Wazirabad after value addition made them for export. For this purpose without the availability of modern Technology the production costs cannot be minimized as compared to China and India.

6.2. Suggestion for Increase Rebate / Duty Draw Back

The rebate on export of Cutlery and Kitchen wares in Pakistan Cutlery Sector Wazirabad is enhanced up to @ 9% in Federal Budget for the year 2023-2024.

Advantages of Proposed Suggestions in Practical

Pakistan Cutlery Sector Wazirabad does value addition after import of raw materials from different countries including China. @ 75% is used in purchase of raw materials then Pakistan Cutlery Sector Wazirabad just do @ 25% as value addition.

6.3. High Regulatory Duties:

The regulatory duty on import on Cutlery and Kitchen ware articles is imposed @ 50% so far that the articles/products of small and medium enterprises made in Pakistan can be sold easily in local/national markets.

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<u>Advantages of Proposed Suggestions in Practical</u>
The Pakistan Cutlery Sector Wazirabad is very much renowned /famous in their Cutlery and Kitchen ware articles / products in national / local and international countries since long. 25 Thousands families are attached / connected / concerned with local industries / units. Knives, spoons are commonly used products in local / national and international countries. Billions of people mostly used these products in international markets. Pakistan comprising Rs. 220 million citizens and it's a huge market. The local industry / unit are unable to compete of the same products in other countries that are a big issue with its production capacity. Due to this reason un-employment raises and the chances of local industry are in danger. If the Federal Govt. is interested to improve the exports of knives, spoons etc. so the Federal Govt. should imposed the regulatory duty @ 50%on imports in Federal budget 2023-2024. If the Govt. does that the sale of Cutlery and Kitchen ware articles will be increased and in future the production capacity of cottage / small and medium enterprises will be enhanced in production. Un-employment will be minimized and to improve the industrial infrastructure will be easy if the same will done then in the result the exports will be enhanced.

6.4. <u>Problems for New Exports</u>
SBP imposed limit of $250,000 for New Exporter to export through Open Account (Credit).

This become very hard to compete with China and Indian Industry in International Market, Indian and Chinese exporters are selling goods with 45 to 60 days Credit.

Government of Pakistan and State Bank should remove Limit of$250,000 for new exporter at earliest to compete in International Market.
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<td>07.</td>
<td>M/s Ziki Enterprises</td>
<td>They are the only manufacturer of stuffed toys in Pakistan located in KEPZ. The government has imposed 25% RD to protect the local producers from the imports. However, it is necessary to mention here that there is no other manufacturer of stuffed toys in Pakistan and therefore, there is no point in keeping the 25% RD and 20% customs duty on their products. Since, they are operating business in Karachi Export Processing Zone (KEPZ), they desire a sufficient rationalization in customs duties and RD so that they can sell more of their products to T/A as well resulting in more revenues to be paid by local importer in T/A.</td>
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<td>08.</td>
<td>Pakistan Yarn Merchants Association (PYMA)</td>
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<tr>
<th>S. No.</th>
<th>PCT Code</th>
<th>Decription</th>
<th>Existing rate of Duty 2022-2023</th>
<th>Proposed rate of duty 2023-24</th>
<th>Issues</th>
<th>Brief Justification / rationale for Change</th>
<th>Quantify benefit to Consumer / industry</th>
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<tr>
<td>1</td>
<td>5402-4600,</td>
<td>Polyester Pre-Oriented yarn</td>
<td>11 % CD
5% RD</td>
<td>7%
&
No RD</td>
<td>A). The product POY (5402-4600) has almost the same Post Polymerization Process and cost as Polyester Staple Fiber having C.D @7%,

B). POY (5402-</td>
<td>The product POY is an intermidiary yarn to produce Polyester Textured yarns (DTY). This is treated as a total separate indsutry in INDIA, CHINA, VIETNAM and BANGLADESH. Unlike Polimarization plants, which require huge finanaces, Texturizing units can be setup by SME sector easily. Moreover, this industry can</td>
<td>A). Our weavers can compete in International Markets.
B). Common people will be provided Fabric in the local Market at competitive prices.
C). Local Textile Industry will be stimulated.
D). More jobs will be created in the</td>
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							4600) is the raw material to produce Polyester Texturized yarn (DTY). .	also export DTY yarns in international markets. Furthermore, there is 4% Customs Duty on PTA and 0% Customs Duty on MEG, which brings the average Duty to 3%. There is ernough margin at every stage of production and our proposed rate is ample.	industry	
		2	5402-4700	Polyester Fully Drawn Yarn	11 % CD 5% RD	7% & No RD	**A).** The domestic production of Polyester FDY (5402-4700) yarn is less than 3% of the total consumption. 97% requirement from Import source. **B).** Polyester FDY (5402-4700) yarns are the raw materials for Weaving and Knitting industry. Therefore, it should be treated just like Polyester Staple Fibres & Custom Duty Should be 7% & Additional Custom Duty be 0%.	**A).** Fabric made from Artificial / Synthetic Yarn is used by common man and has become expensive & out of reach. **B).** Rising input costs like utilities and labour is another cause of high costs. **C).** High tariff & high Import cost has rendered the exports of Fabric made from Artificial / Synthetic un-competitive. D). Polyester Pro Oriented Yarn, Polyetser Staple Fiber and Polyester Fully Drawn yarn all have similar profuction processes and therefore, should be treated the same as Polyester Stample Fiber in the Tariff structure.	**A).** Our weavers can compete in International Markets. **B).** Common people will be provided Fabric in the local Market at competitive prices. **C).** Local Textile Industry will be stimulated. **D).** More jobs will be created in the industry	

		3	5402-3300, 5402-3400, 5402-3900, 5402-4800, 5402-4900, 5402-5200,	Polyester Filament Yarns (Draw Textured Yarn)	11 % CD 5% RD	11 % & No RD	PYMA's suggestions to terminate Regulatory duty from 5%, would justify the cascading system of polyester value chain. The same tariff structure was being followed in Pakistan until 2005, when there was a difference of duty of 2% on every stage of polyester value chain. This is essential to provide protection to upstream and downstream participants of cascading system of polyester value chain	**A).** Fabric made from Artificial / Synthetic Yarn is used by common man and has become expensive & out of reach. **B).** Rising input costs like utilities and labour is another cause of high costs. **C).** High tariff & high Import cost has rendered the exports of Fabric made from Artificial / Synthetic un-competitive. **D).** The recent withdrawal of Custom Duty on Cotton and manmade fibers, under SRO 48(1)/2018 was aimed to protect the local fabric industry therefore same preference should also be given to the imported Polyester Filament Yarn by reducing the Custom Duty to 11%	**A).** Our weavers can compete in International Markets. **B).** Common people will be provided Fabric in the local Market at competitive prices. **C).** Local Textile Industry will be stimulated. **D).** More jobs will be created in the industry
		4	5509-2100, 5509-5100	Polyester Spun Yarn	11 % CD 2.5% RD	11 % & No RD	RD on Basic Raw Material for Textile Chain unjustified. Whereas the local Manufacturer enjoy very high protection level.	**A).** Fabric made from Artificial / Synthetic Yarn is used by common man become expensive & out of reach. **B).** Rising input costs like utilities, Labour is another cause of high costs. **C).** High tariff & high Import cost has rendered the exports of Fabric made from Artificial / Synthetic un-competitive. **D).** Polyester Spun Yarn is basic Raw Material for Knitting & Weaving Industry and there is no reason for imposed 2% RD on basic Raw Material of Spun Yarn.	**A).** Our weavers can compete in International Markets. **B).** Common people will be provided Fabric in the local Market at competitive prices. **C).** Local Textile Industry will be stimulated. **D).** More jobs will be created in the industry. **E).** Positive impact on the Current account Trade deficit.	

		5	5407.1000, 5407.2000, 5407.3000, 5407.4100, 5407.5100, 5407.7100	Unbleach , Bleached & Grey Fabrics	11 % CD 2%A.CD	16 % CD 4%ACD	As per the cascading system, the import of fabric should have a much higher customs tariff as compared to that of polyester yarn. However, the duty structure of said product is quite similar to that of polyester yarn. This leaves little incentive for domestic fabric manufactures to engage in manufacturing activity and also boosts the import of finished products.	In order to safeguard the SME sector, while also encouraging manufacturing of fabric domestically and simultaneously discouraging the import of finished products. i.e., fabric, the tariff structure of fabric should be much higher than that of polyester yarn.	A). Our weavers can compete in International Markets. B). Local Textile Industry will be stimulated. C). More jobs will be created in the industry
		6	5407.4200, 5407.4300, 5407.5200, 5407.5300, 5407.5400, 5407.6100, 5407.6900 5407.7200 5407.7300 5407.7400	All Kinds of Finished Fabric (DYED and Printed)	16 % CD 4%A.CD	20 % CD 4%A.CD	These are finished articles that are also manufactured locally.	**A).** Since this fabric is manufactured locally in suffecient quantities, downstream users should be offered more tariff protection.	**A).** Our weavers can compete in International Markets. **B).** Common people will be provided Fabric in the local Market at competitive prices. **C).** Local Textile Industry will be stimulated. **D).** More jobs will be created in the industry. **E).** Positive impact on the Current account Trade deficit.

09.	**Pakistan Association of Large Steel Producers (PALSP)**	**Customs Tariff – Recommendations** **Finished Goods** **Rebar** (72.14, 72.15, 72.28): **Status Quo/No Change in tariff** (**Rebar PCT Codes:** 7214.1010, 7214.1090, 7214.2010, 7214.2090, 7214.3010, 7214.3090, 7214.9910, 7214.9990, 7215.1010, 7215.1090, 7215.5010, 7215.5090, 7215.9010, 7215.9090, 7228.2090, 7228.3090, 7228.1000, 7228.4000, 7228.5000, 7228.6000) **2. Intermediate Goods** **Billets** (72.07, 72.24): **Status Quo/No Change in tariff** **3. Raw Materials** **Primary Material/Scrap (**7204): **Status Quo/No Change in tariff** (**PCT Codes:** 7204.4100, 7204.4990, 7204.3000, 7204.4920) **Rectification of Tariff Anomalies** i. Ships for Demolition (PCT 8908.0000): **At par with Meltable Scrap (PCT 7204.4100, 7204.3000)** ii. Heavy Meltable Scrap (7204.4990): **At par with Meltable Scrap (PCT 7204.4100, 7204.3000)** iii. Re-rollable scrap (PCT 7204.4910,7204.1010): **At par/closer to Billets (PCT 72.07, 72.24)**
10.	**M/s Sitara Chemical Industries Ltd. Faisalabad**	**A. <u>CHANGES IN CUSTOMS TARIFF (Finished Products)</u>**

S. No.	**PCT Code**	**Description**	**Proposed PCT Code**	**Existing Rate of Duty FY 2022-23**	**Proposed Rate of Duty FY 2023-24**	**Suggected to Be changed through SRO or in Tarrif**	**Brief Justification/ Rationale for change**
1	2806.1000	Hydrochloric Acid	No Change	11%	11%	No Change	In Pakistan, Hydrochloric Acid is a bi-product of Chlor-Alkali plants and its production is directly proportionate to the production of Caustic Soda. The annual demand of Hydrochloric Acid are approximately 250,000 MT in the national market and its use is critical in many industries. The condition of NOC and Registration is adversely affecting the producers and consumers of Hydrochloric Acid. Hydrochloric Acid is used in many legitimate industries such as: Textile, Soap, Sugar, Oil Drilling, Water Treatment, Activated Bleaching Earth, Power Generation Units (IPPs), Cotton Waste Recycling

									Unites, Battery Manufacturers, Toilet Cleaning Agents, Defense Related Industries and Important Public Sector organizations ETC. Keeping in view the industrial importance of HCL, we do suggest to maintain the existing custom duty in the Federal Budget FY 2022-23.	
		2	2815.1100	Caustic Soda (Solid)	No Change	20%	20%	No Change	Caustic Soda is an energy intensive product where the electricity is contributing about 55~60% of the total cost. Unfortunately, the rate of electricity in our country is very high as compared to other Caustic Soda manufacturing countries of the world. Our average electricity rate for the year 2022-23 is 16 cents/KWH as per Industrial Electricity Tarrif by NEPRA. It is Three-times higher than China, South Korea and Japan; More than Five-times higher than the Middle East countries including Saudi Arabia and four-times higher than the USA. We suggest that Import duties for Caustic Soda Liquids and Caustic Soda Flakes be maintained for the Fiscal Year 2022-23	
		3	2815.1200	Caustic Soda (Liquid)	No Change	Rs. 4000/LMT	Rs. 4,000/LMT	No Change		
		4	2801.1000	Liquid Chlorine	No Change	11%	11%	No Change	Chlorine is used in many important industries of the country, i.e. Paper industry, water treatment in LDA, CDA, WASA, KW&SB and some important defense projects. Keeping in view the industrial importance of Chlorine, we do suggest to maintain the existing custom duty in the Federal Budget FY 2023-24.	
		5	3401.1100	For Toilet use (Including medicated products)	No Change	20%	20%	No Change	Recently, we have entered into domestic Oleo-chemical industry by making huge investment, amounting Rs. 5 billion in setting up a soap noodles manufacturing plant (soap noodles use as raw material in manufacturing of toilet soap) which is the second largest plant of Pakistan. Having per annum production capacity 35,000 MT. During next financial year, according to the expansion plan, the further installed capacity of	

							producing soap noodles 40,000 MT will be enhanced. It will also explore and pave the ways for new job opportunities. It is worthwhile to mention here that across the country the market size of toilet soap exists between 180,000 MT to 200,000 MT per annum, whereas the nationwide installed capacity of producing soap noodles is 400,000 MT per annum which is twofold higher than the local demand and sufficient to meet the requirements during next 5-10 years. To protect the national Industry we do suggest to maintain the existing custom duty in the Federal Budget FY 2023-24.
6	3823.1100	Stearic Acid	No Change	16%	16%	No Change	(1) Local Industry has sufficient Production Capacity i.e. (19,000MT/ANNUM) to fulfill the national demand while Local Demand is approx 15,000~16,000MT. Private sector has excess supply capacity sufficient for next 2 to 3years. (2) Private sector has made huge investments on plant and machinery and flourished during the last few years. It is pertinent to mention here that Sitara Chemical Industries has set up a new plant of Stearic Acid under Oleo Chemicals division and plant will be operational with in January 2022. (3) There is 24% Tariff concession on Customs duty under FTA-Malaysia and imports at low price is hampring National industry. (4) Import concession tarrif i.e. Custom duty may also cause shut-down of local industry & create unemployment and ultimate loss to the National Exchequer. 5. In order to protect the national Industry and to save the foreign reserves, we do suggest maintaining the existing custom duty in the Federal Budget FY 2023-24.

B. CHANGES IN REGULATORY DUTY (Finished Products)

S. No.	PCT Code	Description	Proposed PCT Code	Existing Rate of Reg. Duty FY 2022-23	Proposed Rate of Reg. Duty FY 2023-24	Suggected to Be changed through SRO or in Tarrif	Brief Justification/ Rationale for change
1	2828.1010	BLEACHING POWDER (Calcium Hypochlorite)	No Change	5%	15% (Regulatory Duty)	To be Changed Through Tarrif	(1) Local Industry has sufficient Production Capacity (7,920MT/ANNUM) to fulfill the national demand while National Demand is approx 4,200~4,400MT. Private Sector has excess supply capacity. (2) Private sector has made huge investments in the plant and machinery and flourished during the last 15 years. (3) There is nominal custom duty rate i.e. 3% and 'Zero Tariff' under CP-FTA which may encourage import and ultimately National Industry may be hampered and at great risk. (4) Import on nominal custom duty may also cause shut-down of local industry & create unemployment and ultimate loss to the National Exchequer. (5) Keeping in view the above facts, 15% regulatory duty on Imports is requested. (2)
2	2827.2000	CALCIUM CHLORIDE	No Change	5%	15% (Regulatory Duty)	To be Changed Through Tarrif	(1) Local Industry has sufficient Production Capacity i.e. (35,000MT/ANNUM) to fulfill the national demand while Local Demand is approx 2,200~2,500MT in Oil Exploration Sector. Private sector has excess supply capacity sufficient for next 10 to 15 years. (2) Being an export potential item, approximately 95% of total capacity may be exported (3) Private sector has made huge investments on plant and machinery and flourished during the last few years.

									(4) There is nominal tariff i.e. 3% and Zero Tariff under CP-FTA which may encourage imports and ultimately National industry may be hampered and at great risk. (5) Import on nominal custom duty may also cause shut-down of local industry & create unemployment and ultimate loss to the National Exchequer. (6) Keeping in view the above facts, 15% regulatory duty on imports is requested.	
		3	2827.3100	MAGNESIUM CHLORIDE	No Change	5%	15% (Regulatory Duty)	To be Changed Through Tarrif	1. Local Industry has sufficient Production Capacity (3,000MT/ANNUM) to fulfill the national demand while national demand is approx 1,500~2,000MT. Private Sector has excess supply capacity. (2) Private sector has made huge investments in the plant and machinery and flourished during the last 15 years. (3) There is nominal custom duty rate i.e. 3% and 'Zero Tariff' under CP-FTA which may encourage import and ultimately National Industry may be hampered and at great risk. (4) Import on nominal custom duty may also cause shut-down of local industry & create unemployment and ultimate loss to the National Exchequer. (5) Keeping in view the above facts, 15% regulatory duty on Imports is requested.	
		4	2827.3900	FERRIC CHLORIDE	No Change	5%	15% (Regulatory Duty)	To be Changed Through Tarrif	1. Local Industry has sufficient Production Capacity (2,640MT/ANNUM) to fulfill the national demand while national Demand is approx 1,800~2,000MT which is mainly used in Power Generation Sector. Private sector has excess supply capacity. (2) Private sector has made huge investments in the plant and machinery and flourished during the last 15 years.	

									(3) There is nominal custom duty rate i.e. 3% and 'Zero Tariff' under CP-FTA which may encourage import and ultimately National Industry may be hampered and at great risk. (4) Import on nominal custom duty may also cause shut-down of local industry & create unemployment and ultimate loss to the National Exchequer. (5) Keeping in view the above facts, 15% regulatory duty on Imports is requested.	
		5	2811.2100	Liquid Carbon Dioxide	No Change	5%	15% (Regulatory Duty)	To be Changed Through Tarrif	1. Local Industry has excess Production Capacity 650MT/Day to fulfill the national demand, while Local Demand is approx. 350~400MT/Day in the season from (April to September) which is mainly used in the Beverage Sector. Private sector has almost double excess supply capacity. (2) Private sector has made huge investments in the plant and machinery and flourished during the last 15 years. (3) There is nominal custom duty rate i.e. 3% and 'Zero Tariff' under CP-FTA which may encourage import and ultimately National Industry may be hampered and at great risk. (4) Import on nominal custom duty may also cause shut-down of local industry & create unemployment and ultimate loss to the National Exchequer. (5) Keeping in view the above facts, 15% regulatory duty on Imports is requested.	
		6	2833.2100	Magnesium Sulphate	No Change	5%	15% (Regulatory Duty)	To be Changed Through Tarrif	1. Local Industry has sufficient Production Capacity (8,400MT~9,000MT/ANNUM) to fulfill the local demand while National Demand is (approx 1,600~1,700MT). Private Sector has excess supply capacity. (2) Private sector has made huge investments in the plant and machinery and flourished during the last 15 years.	

									(3) There is nominal custom duty rate i.e. 3% and 'Zero Tariff' under CP-FTA which may encourage import and ultimately National Industry may be hampered and at great risk. (4) Import on nominal custom duty may also cause shut-down of local industry & create unemployment and ultimate loss to the National Exchequer. (5) Keeping in view the above facts, 15% regulatory duty on Imports is requested.	
		7	1520.0000	Glycerol (Crude)	No Change	0%	20% (Regulatory Duty)	To be Changed Through Tariff	(1) Local Industry has sufficient Production Capacity i.e. (44,000MT/ANNUM) to fulfill the national demand while Local Demand is approx 40,000MT. Private sector has excess supply capacity sufficient for next 2 to 3 years. (2) Private sector has made huge investments on plant and machinery and flourished during the last few years. It is pertinent to mention here that Sitara Chemical Industries has set up a new plant of Stearic Acid under Oleo Chemicals division. According to the expansion plan the further installed capacity of producing soap Noodles 40,000 will be added and total capacity will reach to 75,000Mtons. It will also explore and pave the ways for new job opportunities and Production capacity of Glycerin will also be increased. (3) A) HS Code: 1520.000 There is i) 8% = CD Exception (FTA) Import from Malaysia. ii) 5% = CD Exemption (FTA) Import from SAARIC member Sates iii) 0%= CD Exemption (FTA) Import from China. B) HS Code: 2905.4500 there is i) 20%= CD Exception (FTA) Import from Malaysia. ii) 19%= CD Exemption (FTA) Import from China. (4) Import concession on tariff i.e. Custom duty under FTA's may hamper local	
			2905.4500	Glycerol (Glycerine)						

								industry and cause shut-down & creates unemployment and ultimate loss to the National Exchequer. (5) Keeping in view the above facts, 20% regulatory duty on imports is requested.	
		8	3823.1100	Stearic Acid	No Change	0%	15% (Regulatory Duty)	To be Changed Through Tarrif	(1) Local Industry has sufficient Production Capacity i.e. (19,000MT/ANNUM) to fulfill the national demand while Local Demand is approx 15,000~16,000MT. Private sector has excess supply capacity sufficient for next 2 to 3years. (2) Private sector has made huge investments on plant and machinery and flourished during the last few years. It is pertinent to mention here that Sitara Chemical Industries has set up a new plant of Stearic Acid under Oleo Chemicals division. According to the expansion plan the further installed capacity of producing soap Noodles 40,000 will be added and total capacity will reach to 75,000Mtons. It will also explore and pave the ways for new job opportunities and Production capacity of Glycerin will also be increased. (3) There is 24% Tariff concession on Customs duty under FTA-Malaysia and imports at low price is hampring National industry. (4) Import concession tarrif i.e. Custom duty may also cause shut-down of local industry & create unemployment and ultimate loss to the National Exchequer. (5) Keeping in view the above facts, 15% regulatory duty on imports is requested.

11.	**The Sialkot Chamber of Commerce & Industry (SCCI)**	**<u>Issues / Proposals regarding Customs Act, 1969</u>** **a. <u>Section 25 of the Custom Act, 1969</u>** **Levy of Duties and Taxes at FOB value of the import consignments to reduce input cost related to imported raw materials and promote ease of doing business.** It is important to mention that Duty Drawback against exports is calculated as a certain percentage of the FOB value of the export consignments, whereas Custom Duty, Sales Tax etc. is charged at C&F value of the consignment at the time of import, which is not justified. In the past, this practice had minimal impact due to relatively less quantum of freight but recently the freight charges have been substantially increased by the shipping companies and charging of Duties and Taxes at C&F value has increased cost of import of inputs and raw materials for the manufacturing sector. It is proposed that Custom Duty and other taxes should be charged at FOB value of the import shipment, so that input cost of the industry relating to imported raw materials could be decreased to promote ease of doing business in Pakistan in the current crisis. **<u>Revenue Impact:</u>** Negative (It will have an overall positive impact by enhancement of exports) b. **<u>Pakistan Custom Tariff PCT 9910: Samples of No Commercial Value imported by Manufacturers</u>** **Allowance for duty and tax free import of samples worth US $ 10,000 during a financial year to the exporters.** It is important to mention that samples received from abroad by manufacturers in Pakistan play a vital role in development, innovation and reverse engineering of those items, which would ultimately help in soliciting new orders for similar items developed and manufactured in Pakistan. These Commercial samples are specimen of goods that may be imported by the Manufacturers cum Exporters in Pakistan to know their characteristics and usage and to assess their production feasibility. However, such samples are charged with high duties and taxes at the time of import, which make it difficult for the SME Exporters to manage the cost of import of samples as import of such samples has been a regular feature for the export business. In view of above, it is proposed that samples worth US$ 10,000 should be totally exempt from levy of duties and taxes during a year to facilitate the export sector of Pakistan. **<u>Revenue Impact:</u>** Negative (It will have an overall positive impact by enhancement of exports) c. **<u>Section 22 of the Custom Act, 1969</u>** **Requirement to revisit clarification of the Board issued vide letter # 3(1)/S(L&C)/2016-PT/130184 dated October 13, 2016 regarding returned goods u/s 22 of the Custom Act, 1969.** The worthy Board has taken into consideration only section 148(1) of the Income Tax Ordinance, 2001, which deals with the direct import. However, proviso to section 22 of the Custom Act, 1969, elaborates returned goods separately as goods "which have been imported within one year of their exportation and have been consigned to the person in whose account they were exported and have not undergone any processing since their exportation". Such goods are normally sent back by the buyer for repair or due to any other problem for rectification. It is submitted that clarification of the Board issued vide letter # 3(1)/S(L&C)/2016-PT/130184 dated October

		13, 2016 need to be revisited / reconsidered to issue fresh clarification in broader perspective. Moreover, proviso to section 22 of the Custom Act, 1969, should be construed in its true spirit to provide relief to the exporters and Custom Authorities be advised to withdraw notices issued on the basis of above referred clarification. d. **<u>Drawback of Local Taxes and Levies (DLTL)</u>** **Continuance of Drawback of Local Taxes and Levies (DLTL) till 2027, enhancement of rate from 3% to 5% and clearance of time barred cases.** The Incentive Package earlier announced by the Government to help achieve export-led growth had been highly acclaimed by the export sector and it had started showing results through strengthening of the manufacturing cum export sector. However, there is strong need to revive this package and enhance rate to 5% to improve competitiveness in the international market. Moreover, number of genuine cases of the exporters had been rejected on the ground of being time barred, whereas, those cases had been filed with the State Bank of Pakistan within the prescribed time limit but returned on the basis of minor discrepancies. It is proposed that all such time barred cases of Drawback of Local Taxes and Levies (DLTL) should be cleared as there had been no fault on part of the exporters. e. **<u>Drawback of Local Taxes and Levies (DLTL)</u>** **The system for payment of DLTL claims to the exporters should be brought at par with the system for payment of Custom Duty Drawback Claims.** It has been observed by the exporters that procedure and mechanism to claim Drawback of Local Taxes and Levies (DLTL) had been overly complicated resulting in hardships and inconvenience in processing and issuance of claims. It is proposed that the system and mechanism to claim DLTL claims should be brought at par with the system and mechanism to claim Custom Duty Drawback Claim, so that SMEs could be facilitated in filing, processing and issuance of DLTL claims. f. **<u>Export Development Surcharge</u>** **Deferment of collection of Export Development Surcharge (EDS) for subsequent 3 years to improve competitiveness of the export business in current economic crisis.** Currently, Export Development Surcharge (EDS) equivalent to 0.25% of the export value of all exports has been levied on exporters for transfer to the Export Development Fund and for utilization in accordance with the Export Development Fund Act, 1999. The businesses in Sialkot especially the SMEs are struggling hard to maintain their export competitiveness and deliver orders according to the demands of the customers. However, due to high inflationary pressures and higher cost of input, they find it very difficult to achieve the objective. In view of the current economic scenario, it is proposed that Export Development Surcharge may not be charged for a period of three years, so that the manufacturing cum export sector could be facilitated to strengthen their export business. **<u>Revenue Impact:</u>** Negative (It will have an overall positive impact by enhancement of exports)

Changes in Customs Tariff

S. No.	PCT Code	Description	Existing rate of duty 2022-23	Proposed rate of duty 2022-23	Suggested to be changed through SRO or in Tariff	Brief justification / rationale for change	Quantify benefit consumer / industry
1	'27101999	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, n.e.s: other: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5 % (531.92 Thousand USD) based on the Imported value for FY21
2	'27129090	Paraffin wax, microcrystalline petroleum wax, slack wax, ozokerite, lignite wax, peat wax, other mineral waxes, and similar products obtained by synthesis or by other processes, whether or not coloured (excluding petroleum jelly and paraffin wax containing < 0,75% by weight of oil): other	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (158.8 Thousand USD) based on the Imported value for FY21
3	'28272000	Calcium chloride	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 3.09 % (32.58 Thousand USD) based on the Imported value for FY21
4	'28470000	Hydrogen peroxide, whether or not solidified with urea	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.62 % (234.3 Thousand USD) based on the Imported value for FY21
5	'29141100	Acetone	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (67.45 Thousand USD) based on the Imported value for FY21

		6	'29151100	Formic acid	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (295.1 Thousand USD) based on the Imported value for FY21	
		7	'29153300	N-butyl acetate	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (0.08 Thousand USD) based on the Imported value for FY21	
		8	'32021000	Synthetic organic tanning substances	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 3.09 % (472.8 Thousand USD) based on the Imported value for FY21	
		9	'32029010	Inorganic tanning substances; tanning preparations, whether or not containing natural tanning substances; enzymatic preparations for pre-tanning: tanning substances, tanning preparations based on chromium sulphate	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (375.7 Thousand USD) based on the Imported value for FY21	
		10	'32029090	Inorganic tanning substances; tanning preparations, whether or not containing natural tanning substances; enzymatic preparations for pre-tanning: other	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.62 % (100.85 Thousand USD) based on the Imported value for FY21	
		11	'32041200	Synthetic organic acid dyes, whether or not metallised, and synthetic organic mordant dyes; preparations based on synthetic organic acid or mordant dyes of a kind used to dye fabrics or produce colorant preparations (excluding preparations of heading 3207, 3208, 3209, 3210, 3213 and 3215)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (867.8 Thousand USD) based on the Imported value for FY21	

			12	'32041400	Direct synthetic organic dyes; preparations based on direct synthetic organic dyes of a kind used to dye fabrics or produce colorant preparations (excluding preparations of heading 3207, 3208, 3209, 3210, 3213 and 3215)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (258.95 Thousand USD) based on the Imported value for FY21	
			13	'32041510	Synthetic organic vat dyes, incl. those usable in that state as pigments; preparations based on synthetic organic vat dyes of a kind used to dye fabrics or produce colorant preparations (excluding preparations of heading 3207, 3208, 3209, 3210, 3213 and 3215): indigo blue	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 3.09 % (1375.83 Thousand USD) based on the Imported value for FY21	
			14	'32041590	Synthetic organic vat dyes, incl. those usable in that state as pigments; preparations based on synthetic organic vat dyes of a kind used to dye fabrics or produce colorant preparations (excluding preparations of heading 3207, 3208, 3209, 3210, 3213 and 3215): other	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (325.15 Thousand USD) based on the Imported value for FY21	
			15	'32041600	Synthetic organic reactive dyes; preparations based on synthetic organic reactive dyes of a kind used to dye fabrics or produce colorant preparations (excluding preparations of heading 3207, 3208, 3209, 3210, 3213 and 3215)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (5047.8 Thousand USD) based on the Imported value for FY21	
			16	'32041910	Synthetic organic colouring matter (excluding disperse dyes, acid dyes, mordant dyes, basic dyes, direct dyes, vat dyes and reactive dyes and organic pigments); preparations of the kind used for colouring any materials or for the production of prepared colours, based thereon (excluding preparations in heading 3207, 3208, 3209, 3210, 3212, 3213 and 3215); mixtures of colouring matter in subheading 3204.11 to 3204.19: dyes, sulphur	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.62 % (947.25 Thousand USD) based on the Imported value for FY21	

			17	'32041990	Synthetic organic colouring matter (excluding disperse dyes, acid dyes, mordant dyes, basic dyes, direct dyes, vat dyes and reactive dyes and organic pigments); preparations of the kind used for colouring any materials or for the production of prepared colours, based thereon (excluding preparations in heading 3207, 3208, 3209, 3210, 3212, 3213 and 3215); mixtures of colouring matter in subheading 3204.11 to 3204.19: dyes, synthetic	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.62 % (192.8 Thousand USD) based on the Imported value for FY21	
			18	'32042000	Synthetic organic products of a kind used as fluorescent brightening agents, whether or not chemically defined	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5 % (305.76 Thousand USD) based on the Imported value for FY21	
			19	'32049000	Synthetic organic products of a kind used as luminophores, whether or not chemically defined	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (38.3 Thousand USD) based on the Imported value for FY21	
			20	'32062090	Pigments and preparations of a kind used for colouring any material or used as ingredients in the manufacture of colouring preparations based on chromium compounds (excluding preparations of headings 3207, 3208, 3209, 3210, 3212, 3213 and 3215): other	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (42.85 Thousand USD) based on the Imported value for FY21	
			21	'32081090	Paints and varnishes, incl. enamels and lacquers, based on polyesters, dispersed or dissolved in a non-aqueous medium; solutions based on polyesters in volatile organic solvents, containing > 50% solvent by weight: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (154.6 Thousand USD) based on the Imported value for FY21	
			22	'32082090	Paints and varnishes, incl. enamels and lacquers, based on acrylic or vinyl polymers, dispersed or dissolved in a non-aqueous medium; solutions based on acrylic or vinyl polymers in	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods	Increased competitiveness by 5 % (252.6 Thousand USD) based on the Imported value for FY21	

					volatile organic solvents, containing > 50% solvent by weight: other				product sector(s).		
			23	'32089019	Paints and varnishes based, incl. enamels and lacquers, on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in a non-aqueous medium, and solutions of products of headings 3901 to 3913 in volatile organic solvents, containing > 50% solvent by weight (excluding those based on polyesters and acrylic or vinyl polymers and solutions of collodion): based on polyamides: other	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.62 % (92.95 Thousand USD) based on the Imported value for FY21	
			24	'32089090	Paints and varnishes based, incl. enamels and lacquers, on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in a non-aqueous medium, and solutions of products of headings 3901 to 3913 in volatile organic solvents, containing > 50% solvent by weight (excluding those based on polyesters and acrylic or vinyl polymers and solutions of collodion): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (660.88 Thousand USD) based on the Imported value for FY21	
			25	'32121000	Stamping foils of a kind used in the printing of book bindings or hatband leather	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (207.8 Thousand USD) based on the Imported value for FY21	
			26	'32141010	Glaziers' putty, grafting putty, resin cements, caulking compounds and other mastics; painters' fillings: glaziers putty (mastic based on oil)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (23.6 Thousand USD) based on the Imported value for FY21	

		27	'32141020	Glaziers' putty, grafting putty, resin cements, caulking compounds and other mastics; painters' fillings: grafting putty (mastic based on wax)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (0.12 Thousand USD) based on the Imported value for FY21	
		28	'32149090	Non-refractory surfacing preparations for facades, inside walls, floors, ceilings and the like: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (229.36 Thousand USD) based on the Imported value for FY21	
		29	'32151190	Black printing ink, whether or not concentrated or solid: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (159.16 Thousand USD) based on the Imported value for FY21	
		30	'32151990	Printing ink, whether or not concentrated or solid (excluding black ink): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (1426.16 Thousand USD) based on the Imported value for FY21	
		31	'34029000	Surface-active preparations, washing preparations, incl. auxiliary washing preparations and cleaning preparations (excluding those put up for retail sale, organic surface-active agents, soap and organic surface-active preparations in the form of bars, cakes, moulded pieces or shapes, and products and preparations for washing the skin in the form of liquid or cream)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5 % (315.08 Thousand USD) based on the Imported value for FY21	
		32	'34031110	Textile lubricant preparations and preparations of a kind used for the oil or grease treatment of leather, furskins or other material containing petroleum oil or bituminous mineral oil (excluding preparations containing, as basic constituents, >= 70% petroleum oil or bituminous mineral oil by weight): of a kind used in the leather or like industires	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (90.8 Thousand USD) based on the Imported value for FY21	

		33	'34031910	Lubricant preparations, incl. cutting-oil preparations, bolt or nut release preparations, anti-rust or anti-corrosion preparations and mould-release preparations, based on lubricants and containing petroleum oil or bituminous mineral oil (excluding preparations containing, as basic constituents, >= 70% of petroleum oil or bituminous mineral oil by weight and preparations for treating textiles, leather, furskins and other materials): greases	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (112.35 Thousand USD) based on the Imported value for FY21	
		34	'34039110	Textile lubricant preparations and preparations of a kind used for the oil or grease treatment of leather, furskins or other material not containing petroleum oil or bituminous mineral oil: of a kind used in the leather or like industires including fat liquors	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5 % (718.84 Thousand USD) based on the Imported value for FY21	
		35	'34039990	Lubricant preparations, incl. cutting-oil preparations, bolt or nut release preparations, anti-rust or anti-corrosion preparations and mould-release preparations, based on lubricants but not containing petroleum oil or bituminous mineral oil (excluding preparations for the treatment of textiles, leather, furskins and other materials): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (334.2 Thousand USD) based on the Imported value for FY21	
		36	'34049090	Artificial waxes and prepared waxes (excluding poly"oxyethylene" [polyethylene glycol] waxes): other	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather /Surgical Instruments product sector(s).	Increased competitiveness by 5.62 % (512.9 Thousand USD) based on the Imported value for FY21	
		37	'34059000	Glass or metal polishes, whether or not in the form of paper, wadding, felt, nonwovens, cellular plastics or cellular rubber, impregnated, coated or covered with such preparations	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5 % (79 Thousand USD) based on the Imported value for FY21	

		38	'35052090	Glues based on starches, dextrins or other modified starches (excluding those put up for retail sale and weighing net <= 1 kg): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (33.64 Thousand USD) based on the Imported value for FY21	
		39	'35061000	Products suitable for use as glues or adhesives put up for retail sale as glues or adhesives, with a net weight of <= 1 kg	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (140.68 Thousand USD) based on the Imported value for FY21	
		40	'35069110	Adhesives based on polymers of heading 3901 to 3913 or on rubber (excluding products suitable for use as glues or adhesives put up for retail sale as glues or adhesives, with a net weight of <= 1 kg): shoe adhesives	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.62 % (225.65 Thousand USD) based on the Imported value for FY21	
		41	'35069190	Adhesives based on polymers of heading 3901 to 3913 or on rubber (excluding products suitable for use as glues or adhesives put up for retail sale as glues or adhesives, with a net weight of <= 1 kg): other	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (1251.05 Thousand USD) based on the Imported value for FY21	
		42	'35069990	Glues, prepared, and other prepared adhesives, n.e.s: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (195.16 Thousand USD) based on the Imported value for FY21	
		43	'38099300	Finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs, and other products and preparations, e.g. dressings and mordants of a kind used in the leather or similar industries, n.e.s. (excluding those with a basis of amylaceous substances)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (401.9 Thousand USD) based on the Imported value for FY21	
		44	'38140000	Organic composite solvents and thinners, n.e.s.; prepared paint or varnish removers (excluding nail varnish remover)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (296.45 Thousand USD) based on the Imported value for FY21	

		45	'38249993	Chemical products and preparations of the chemical or allied industries, incl. those consisting of mixtures of natural products, n.e.s: other: coated or treated calcium carbonate	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (88.26 Thousand USD) based on the Imported value for FY21	
		46	'38249999	Chemical products and preparations of the chemical or allied industries, incl. those consisting of mixtures of natural products, n.e.s: other: other	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (3023.31 Thousand USD) based on the Imported value for FY21	
		47	'39041010	Poly"vinyl chloride", in primary forms, not mixed with any other substances: emulsion grade	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.62 % (1811.25 Thousand USD) based on the Imported value for FY21	
		48	'39042200	Plasticised poly"vinyl chloride", in primary forms, mixed with other substances	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods /Surgical Instruments product sector(s).	Increased competitiveness by 5 % (310.36 Thousand USD) based on the Imported value for FY21	
		49	'39069090	Acrylic polymers, in primary forms (excluding poly"methyl methacrylate"): other	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.62 % (4328.45 Thousand USD) based on the Imported value for FY21	
		50	'39073000	Epoxide resins, in primary forms	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods /Surgical Instruments product sector(s).	Increased competitiveness by 5.62 % (676.25 Thousand USD) based on the Imported value for FY21	

		51	'39119000	Polysulphides, polysulphones and other polymers and prepolymers produced by chemical synthesis, n.e.s., in primary forms	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods / Leather product sector(s).	Increased competitiveness by 5 % (125.2 Thousand USD) based on the Imported value for FY21	
		52	'39161000	Monofilament of which any cross-sectional dimension > 1 mm, rods, sticks and profile shapes, of polymers of ethylene, whether or not surface-worked but not further worked	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5 % (6.92 Thousand USD) based on the Imported value for FY21	
		53	'39172390	Rigid tubes, pipes and hoses, of polymers of vinyl chloride: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5 % (126.84 Thousand USD) based on the Imported value for FY21	
		54	'39172900	Rigid tubes, pipes and hoses, of plastics (excluding those of polymers of ethylene, propylene and vinyl chloride)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods /Surgical Instruments product sector(s).	Increased competitiveness by 5 % (64.16 Thousand USD) based on the Imported value for FY21	
		55	'39173910	Flexible tubes, pipes and hoses, of plastics, reinforced or otherwise combined with other materials (excluding those with a burst pressure of >= 27,6 mpa): heat shrinkable sleeves and tubes	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (69.15 Thousand USD) based on the Imported value for FY21	
		56	'39191090	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, in rolls <= 20 cm wide: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5 % (450.92 Thousand USD) based on the Imported value for FY21	

		57	'39199010	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether or not in rolls > 20 cm wide (excluding floor, wall and ceiling coverings of heading 3918): oriented polypropylene (opp) packing tapes	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (53.16 Thousand USD) based on the Imported value for FY21	
		58	'39199090	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether or not in rolls > 20 cm wide (excluding floor, wall and ceiling coverings of heading 3918): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (2154.72 Thousand USD) based on the Imported value for FY21	
		59	'39206200	Plates, sheets, film, foil and strip, of non-cellular poly"ethylene terephthalate", not reinforced, laminated, supported or similarly combined with other materials, without backing, unworked or merely surface-worked or merely cut into squares or rectangles (excluding those of poly"methyl methacrylate", self-adhesive products, and floor, wall and ceiling coverings of heading 3918)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags product sector(s).	Increased competitiveness by 5.95 % (325.7 Thousand USD) based on the Imported value for FY21	
		60	'39209900	Plates, sheets, film, foil and strip, of non-cellular plastics, n.e.s., not reinforced, laminated, supported or similarly combined with other materials, without backing, unworked or merely surface-worked or merely cut into squares or rectangles (excluding self-adhesive products, floor, wall and ceiling coverings of heading 3918 and sterile surgical or dental adhesion barriers of subheading 3006.10.30)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (387.8 Thousand USD) based on the Imported value for FY21	
		61	'39211100	Plates, sheets, film, foil and strip, of cellular polymers of styrene, unworked or merely surface-worked or merely cut into squares or rectangles (excluding self-adhesive products, floor, wall and ceiling coverings of heading 3918 and sterile surgical or dental adhesion barriers of subheading 3006.10.30)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (5.56 Thousand USD) based on the Imported value for FY21	

		62	'39211300	Plates, sheets, film, foil and strip, of cellular polyurethanes, unworked or merely surface-worked or merely cut into squares or rectangles (excluding self-adhesive products, floor, wall and ceiling coverings of heading 3918 and sterile surgical or dental adhesion barriers of subheading 3006.10.30)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (265.25 Thousand USD) based on the Imported value for FY21	
		63	'39211900	Plates, sheets, film, foil and strip, of cellular plastic, unworked or merely surface-worked or merely cut into squares or rectangles (excludingthose of polymers of styrene, vinyl chloride, polyurethanes and regenerated cellulose, self-adhesive products, floor, wall and ceiling coverings of heading 3918 and sterile surgical or dental adhesion barriers of subheading 3006.10.30)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (104.8 Thousand USD) based on the Imported value for FY21	
		64	'39219090	Plates, sheets, film, foil and strip, of plastics, reinforced, laminated, supported or similarly combined with other materials, unworked or merely surface-worked or merely cut into squares or rectangles (excluding of cellular plastic; self-adhesive products, floor, wall and ceiling coverings of heading 3918): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (673.76 Thousand USD) based on the Imported value for FY21	
		65	'39232900	Sacks and bags, incl. cones, of plastics (excluding those of polymers of ethylene)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods /Surgical Instruments product sector(s).	Increased competitiveness by 5 % (208.04 Thousand USD) based on the Imported value for FY21	
		66	'39239090	Articles for the conveyance or packaging of goods, of plastics (excluding boxes, cases, crates and similar articles; sacks and bags, incl. cones; carboys, bottles, flasks and similar articles; spools, spindles, bobbins and similar supports; stoppers, lids, caps and other closures): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods /Surgical Instruments product sector(s).	Increased competitiveness by 5 % (108.56 Thousand USD) based on the Imported value for FY21	

		67	'39249000	Household articles and toilet articles, of plastics (excluding tableware, kitchenware, baths, shower-baths, washbasins, bidets, lavatory pans, seats and covers, flushing cisterns and similar sanitary ware)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5 % (78.04 Thousand USD) based on the Imported value for FY21	
		68	'39262090	Articles of apparel and clothing accessories produced by the stitching or sticking together of plastic sheeting, incl. gloves, mittens and mitts (excluding goods of 9619): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5 % (38.48 Thousand USD) based on the Imported value for FY21	
		69	'39269099	Articles of plastics and articles of other materials of heading 3901 to 3914, n.e.s (excluding goods of 9619): other: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather /Sports Bags product sector(s).	Increased competitiveness by 5 % (1936.28 Thousand USD) based on the Imported value for FY21	
		70	'40051090	Rubber, unvulcanised, compounded with carbon black or silica, in primary forms or in plates, sheets or strip: other	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (131.07 Thousand USD) based on the Imported value for FY21	
		71	'40081190	Plates, sheets and strip of cellular rubber: other	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (26.3 Thousand USD) based on the Imported value for FY21	
		72	'40081990	Rods and profile shapes, of cellular rubber: other	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags product sector(s).	Increased competitiveness by 5.95 % (5.55 Thousand USD) based on the Imported value for FY21	
		73	'40082990	Rods, tubes and profile shapes, of non-cellular rubber: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work	Increased competitiveness by 5 % (9.72 Thousand USD) based on the Imported value for FY21	

								Wear product sector(s).		
		74	'40151900	Gloves, mittens and mitts, of vulcanised rubber (excluding surgical gloves)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags product sector(s).	Increased competitiveness by 5 % (1315.76 Thousand USD) based on the Imported value for FY21	
		75	'40159000	Articles of apparel and clothing accessories, for all purposes, of vulcanised rubber (excluding hard rubber and footwear and headgear and parts thereof, and gloves, mittens and mitts)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags product sector(s).	Increased competitiveness by 5 % (114.04 Thousand USD) based on the Imported value for FY21	
		76	'40161090	Articles of cellular rubber, n.e.s: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5 % (118.48 Thousand USD) based on the Imported value for FY21	
		77	'48099000	Transfer papers, incl. coated or impregnated paper for duplicator stencils or offset plates, whether or not printed, in rolls of a width > 36 cm or in square or rectangular sheets with one side > 36 cm and the other side > 15 cm in the unfolded state (excluding self-copy paper)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (364.25 Thousand USD) based on the Imported value for FY21	
		78	'48101390	Paper and paperboard used for writing, printing or other graphic purposes, not containing fibres obtained by a mechanical or chemi-mechanical process or of which <= 10% by weight of the total fibre content consists of such fibres, coated on one or both sides with kaolin or other inorganic substances, in rolls of any size: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags product sector(s).	Increased competitiveness by 5 % (87.28 Thousand USD) based on the Imported value for FY21	

		79	'48109900	Paper and paperboard, coated on one or both sides with kaolin "china clay" or other inorganic substances, with or without a binder, and with no other coating, whether or not surface-coloured, surface-decorated or printed, in rolls or in square or rectangular sheets, of any size (excluding that for writing, printing or other graphic purposes, kraft paper and paperboard, multi-ply paper and paperboard, and with no other coating)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (161.92 Thousand USD) based on the Imported value for FY21	
		80	'48114900	Gummed or adhesive paper and paperboard, surface-coloured, surface-decorated or printed, in rolls or in square or rectangular sheets, of any size (excluding self-adhesive and goods of heading 4810)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (36.08 Thousand USD) based on the Imported value for FY21	
		81	'48115990	Paper and paperboard, surface-coloured, surface-decorated or printed, coated, impregnated or covered with artificial resins or plastics, in rolls or in square or rectangular sheets, of any size (excluding bleached and weighing > 150 g/m², and adhesives): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (1200.28 Thousand USD) based on the Imported value for FY21	
		82	'48191000	Cartons, boxes and cases, of corrugated paper or paperboard	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods /Sports Bags product sector(s).	Increased competitiveness by 5.95 % (430.85 Thousand USD) based on the Imported value for FY21	
		83	'48211090	Paper or paperboard labels of all kinds, printed: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5 % (83.72 Thousand USD) based on the Imported value for FY21	

		84	'48219000	Paper or paperboard labels of all kinds, non-printed	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods /Sports Wear/Apparel / Gloves/ Leather product sector(s).	Increased competitiveness by 5.95 % (55.25 Thousand USD) based on the Imported value for FY21	
		85	'49089000	Transfers "decalcomanias" (excluding vitrifiable)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (25.2 Thousand USD) based on the Imported value for FY21	
		86	'52041900	Sewing thread, containing predominantly, but < 85% cotton by weight (excluding that put up for retail sale)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.95 % (2.7 Thousand USD) based on the Imported value for FY21	
		87	'52081100	Plain woven fabrics of cotton, containing >= 85% cotton by weight and weighing <= 100 g/m², unbleached	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (2.4 Thousand USD) based on the Imported value for FY21	
		88	'52084900	Woven fabrics of cotton, containing >= 85% cotton by weight and weighing <= 200 g/m², made from yarn of different colours (excluding those in three-thread or four-thread twill, incl. cross twill, and plain woven fabrics)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (12.7 Thousand USD) based on the Imported value for FY21	
		89	'52093200	Woven fabrics of cotton, containing >= 85% cotton by weight and weighing > 200 g/m², in three-thread or four-thread twill, incl. cross twill, dyed	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.62 % (21.8 Thousand USD) based on the Imported value for FY21	

		90	'52115900	Woven fabrics of cotton, containing predominantly, but < 85% cotton by weight, mixed principally or solely with man-made fibres and weighing > 200 g/m², printed (excluding those in three-thread or four-thread twill, incl. cross twill, and plain woven fabrics)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (32.9 Thousand USD) based on the Imported value for FY21	
		91	'52122300	Woven fabrics of cotton, containing predominantly, but < 85% cotton by weight, other than those mixed principally or solely with man-made fibres, weighing > 200 g/m², dyed	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to #Sports Goods/ Surgical / SportsWear product sector(s).	Increased competitiveness by 5.95 % (4.35 Thousand USD) based on the Imported value for FY21	
		92	'54023300	Textured filament yarn of polyester (excluding that put up for retail sale)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (12787.6 Thousand USD) based on the Imported value for FY21	
		93	'54072000	Woven fabrics of strip or the like, of synthetic filament, incl. monofilament of >= 67 decitex and with a cross sectional dimension of <= 1 mm	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (181.05 Thousand USD) based on the Imported value for FY21	
		94	'54074200	Woven fabrics of filament yarn containing >= 85% nylon or other polyamides by weight, incl. monofilament of >= 67 decitex and a maximum diameter of <= 1 mm, dyed	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.95 % (327.1 Thousand USD) based on the Imported value for FY21	
		95	'54074400	Woven fabrics of yarn containing >= 85% by weight of filaments of nylon or other polyamides by weight, incl. monofilament of >= 67 decitex and a maximum diameter of <= 1 mm, printed	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.95 % (1.65 Thousand USD) based on the Imported value for FY21	

		96	'54075100	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament of >= 67 decitex and a maximum diameter of <= 1 mm, unbleached or bleached	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (213.15 Thousand USD) based on the Imported value for FY21	
		97	'54075200	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament of >= 67 decitex and a maximum diameter of <= 1 mm, dyed	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.95 % (717.25 Thousand USD) based on the Imported value for FY21	
		98	'54075400	Woven fabrics of yarn containing >= 85% by weight of textured polyester filaments, incl. monofilament of >= 67 decitex and a maximum diameter of <= 1 mm, printed	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.95 % (224 Thousand USD) based on the Imported value for FY21	
		99	'54076100	Woven fabrics of yarn containing >= 85% by weight of non-textured polyester filaments, incl. monofilament of >= 67 decitex and a maximum diameter of <= 1 mm	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.95 % (306 Thousand USD) based on the Imported value for FY21	
		100	'54076900	Woven fabrics of yarn containing >= 85% by weight of mixtures of textured and non-textured polyester filaments, incl. monofilament of >= 67 decitex and a maximum diameter of <= 1 mm	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.95 % (46.2 Thousand USD) based on the Imported value for FY21	
		101	'54077200	Woven fabrics of yarn containing >= 85% synthetic filament by weight, incl. monofilament of >= 67 decitex and a maximum diameter of <= 1 mm, dyed (excluding those of polyester, nylon or other polyamide filaments or monofilaments, and of mixtures of textured and non-textured polyester filaments)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.95 % (39.25 Thousand USD) based on the Imported value for FY21	

		102	'55081000	Sewing thread of synthetic staple fibres, whether or not put up for retail sale	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (52.2 Thousand USD) based on the Imported value for FY21	
		103	'55095900	Yarn containing predominantly, but < 85% polyester staple fibres by weight, other than that mixed principally or solely with cotton, wool, fine animal hair or artificial staple fibres (excluding sewing thread and yarn put up for retail sale)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (282.15 Thousand USD) based on the Imported value for FY21	
		104	'55142200	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed principally or solely with cotton and weighing > 170 g/m², in three-thread or four-thread twill, incl. cross twill, dyed	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to #Sports Goods/ Surgical / SportsWear product sector(s).	Increased competitiveness by 5.95 % (12.55 Thousand USD) based on the Imported value for FY21	
		105	'55151190	Woven fabrics containing predominantly, but < 85% polyester staple fibres by weight, mixed principally or solely with viscose staple fibres: other	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.95 % (93.3 Thousand USD) based on the Imported value for FY21	
		106	'56031100	Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., of synthetic or man-made filaments, weighing <= 25 g/m²	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.62 % (1297.6 Thousand USD) based on the Imported value for FY21	
		107	'56031300	Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., of man-made filaments, weighing > 70 g/m² but <= 150 g/m²	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (288.7 Thousand USD) based on the Imported value for FY21	

		108	'56039200	Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., weighing > 25 g/m² but <= 70 g/m² (excluding of man-made filaments)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.62 % (526.8 Thousand USD) based on the Imported value for FY21	
		109	'56039300	Nonwovens, whether or not impregnated, coated, covered or laminated, n.e.s., weighing > 70 g/m² but <= 150 g/m² (excluding of man-made filaments)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.62 % (108.7 Thousand USD) based on the Imported value for FY21	
		110	'56050000	Metallised yarn, whether or not gimped, being textile yarn, or strip or the like of heading 5404 or 5405, of textile fibres, combined with metal in the form of thread, strip or powder or covered with metal (excluding yarns manufactured from a mixture of textile fibres and metal fibres, with anti-static properties; yarns reinforced with metal wire; articles with the character of trimmings)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.62 % (1663.6 Thousand USD) based on the Imported value for FY21	
		111	'56079000	Twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics (excluding that of synthetic fibres and of sisal or other textile fibres of the genus agave)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags product sector(s).	Increased competitiveness by 5.62 % (28.85 Thousand USD) based on the Imported value for FY21	
		112	'58019000	Woven pile fabrics and chenille fabrics (excluding those of man-made fibres, wool or fine animal hair, terry towelling and similar woven terry fabrics, tufted textile fabrics and narrow woven fabrics of heading 5806)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (205.8 Thousand USD) based on the Imported value for FY21	

		113	'58062000	Narrow woven fabrics of textile materials, containing >= 5% elastomeric yarn or rubber thread by weight, with a width of <= 30 cm (excluding woven pile fabrics, incl. terry towelling and similar terry fabrics, chenille fabrics, and labels, badges and similar articles)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (52.5 Thousand USD) based on the Imported value for FY21	
		114	'58063200	Narrow woven fabrics of man-made fibres, with a width of <= 30 cm, n.e.s.	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (316.25 Thousand USD) based on the Imported value for FY21	
		115	'58071020	Labels, badges and similar articles, of textile materials, in the piece, in strips or cut to shape or size, woven, not embroidered: ribbons	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (358.65 Thousand USD) based on the Imported value for FY21	
		116	'58071030	Labels, badges and similar articles, of textile materials, in the piece, in strips or cut to shape or size, woven, not embroidered: tapes	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.62 % (85.45 Thousand USD) based on the Imported value for FY21	
		117	'58071040	Labels, badges and similar articles, of textile materials, in the piece, in strips or cut to shape or size, woven, not embroidered: webbing	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods / Sports Bags product sector(s).	Increased competitiveness by 5.62 % (50.6 Thousand USD) based on the Imported value for FY21	
		118	'58079000	Labels, badges and similar articles, of textile materials, in the piece, in strips or cut to shape or size, not embroidered (excluding woven)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear / Leather / Sports Bags product sector(s).	Increased competitiveness by 5.62 % (63 Thousand USD) based on the Imported value for FY21	

		119	'58110000	Quilted textile products in the piece, composed of one or more layers of textile materials assembled with padding by stitching or otherwise (excluding embroidery of heading 5810 and quilted fabrics for bedding and furnishings)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (70.8 Thousand USD) based on the Imported value for FY21	
		120	'59019090	Tracing cloth; prepared painting canvas; buckram and similar stiffened textile fabrics of a kind used for hat foundations (excluding plastic-coated textile fabrics): other	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (164.35 Thousand USD) based on the Imported value for FY21	
		121	'59031000	Textile fabrics impregnated, coated, covered or laminated with poly"vinyl chloride" (excluding wallcoverings of textile materials impregnated or covered with poly"vinyl chloride"; floor coverings consisting of a textile backing and a top layer or covering of poly"vinyl chloride")	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5.95 % (1088.5 Thousand USD) based on the Imported value for FY21	
		122	'59032000	Textile fabrics impregnated, coated, covered or laminated with polyurethane (excluding wallcoverings of textile materials impregnated or covered with polyurethane; floor coverings consisting of a textile backing and a top layer or covering of polyurethane)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.95 % (1243.95 Thousand USD) based on the Imported value for FY21	
		123	'59039000	Textile fabrics impregnated, coated, covered or laminated with plastics other than polyvinyl chloride" or polyurethane (excluding tyre cord fabric of high-tenacity yarn of nylon or other polyamides, polyesters or viscose rayon; wall coverings of textile materials impregnated or covered with plastic; floor coverings consisting of a textile backing and a top layer or covering of plastics)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear / Leather / Sports Bags product sector(s).	Increased competitiveness by 5.95 % (270.2 Thousand USD) based on the Imported value for FY21	

		124	'59069900	Rubberised textile fabrics (excluding knitted or crocheted textile fabrics, adhesive tape of a width of <= 20 cm, and tyre cord fabric of high-tenacity yarn of nylon or other polyamides, polyesters or viscose rayon)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.62 % (61.4 Thousand USD) based on the Imported value for FY21	
		125	'59070000	Impregnated, coated or covered textile fabrics; painted canvas being theatrical scenery, studio backcloths or the like, n.e.s.	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (404.55 Thousand USD) based on the Imported value for FY21	
		126	'59119090	Textile products and articles, for technical purposes, specified in note 7 to chapter 59, n.e.s: other	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (113.07 Thousand USD) based on the Imported value for FY21	
		127	'60019290	Pile fabrics of man-made fibres, knitted or crocheted (excluding "long pile" fabrics): other	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (5846.55 Thousand USD) based on the Imported value for FY21	
		128	'60041000	Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric yarn (excluding containing rubber thread, pile fabrics, incl. "long pile", looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.62 % (835.75 Thousand USD) based on the Imported value for FY21	
		129	'60049000	Knitted or crocheted fabrics, of a width of > 30 cm, containing >= 5% by weight elastomeric yarn and rubber thread or rubber thread only (excluding pile fabrics, incl. "long pile", looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.62 % (41.25 Thousand USD) based on the Imported value for FY21	

		130	'60053500	Warp knit fabrics of synthetic fibres, antimalarial, of a width of > 30 cm	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear product sector(s).	Increased competitiveness by 5.62 % (48 Thousand USD) based on the Imported value for FY21	
		131	'60053700	Dyed warp knit fabrics of synthetic fibres "incl. those made on galloon knitting machines", of a width of > 30 cm (excl. those containing by weight >= 5% of elastomeric yarn or rubber thread, and pile fabrics, incl. "long pile", looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to #Sports Goods/ Surgical / SportsWear product sector(s).	Increased competitiveness by 5.62 % (194.65 Thousand USD) based on the Imported value for FY21	
		132	'60059090	Warp knit fabrics "incl. those made on galloon knitting machines", of a width of > 30 cm (excluding of cotton, man-made fibres, those containing by weight >= 5% of elastomeric yarn or rubber thread, and pile fabrics, incl. "long pile", looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated): other	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to #Sports Goods/ Surgical / SportsWear product sector(s).	Increased competitiveness by 5.62 % (42.95 Thousand USD) based on the Imported value for FY21	
		133	'60063200	Dyed fabrics, knitted or crocheted, of synthetic fibres, of a width of > 30 cm (excluding warp knit fabrics "incl. those made on galloon knitting machines", those containing by weight >= 5% of elastomeric yarn or rubber thread, and pile fabrics, incl. "long pile", looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear /Sports Bags / Sports Wear product sector(s).	Increased competitiveness by 5.62 % (765.1 Thousand USD) based on the Imported value for FY21	

		134	'60064200	Dyed fabrics, knitted or crocheted, of artificial fibres, of a width of > 30 cm (excluding warp knit fabrics "incl. those made on galloon knitting machines", those containing by weight >= 5% of elastomeric yarn or rubber thread, and pile fabrics, incl. "long pile", looped pile fabrics, labels, badges and similar articles, and knitted or crocheted fabrics, impregnated, coated, covered or laminated)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.62 % (0.6 Thousand USD) based on the Imported value for FY21	
		135	'63079090	Made-up articles of textile materials, incl. dress patterns, n.e.s: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Leather product sector(s).	Increased competitiveness by 5 % (540.08 Thousand USD) based on the Imported value for FY21	
		136	'68051000	Natural or artificial abrasive powder or grain, on a base of woven textile fabric only, whether or not cut to shape, sewn or otherwise made up	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5.62 % (259.8 Thousand USD) based on the Imported value for FY21	
		137	'68052000	Natural or artificial abrasive powder or grain, on a base of paper or paperboard only, whether or not cut to shape, sewn or otherwise made up	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (215.04 Thousand USD) based on the Imported value for FY21	
		138	'68053000	Natural or artificial abrasive powder or grain, on a base of materials other than woven textile fabric only or paper or paperboard only, whether or not cut to shape, sewn or otherwise made up	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5 % (126.56 Thousand USD) based on the Imported value for FY21	
		139	'68141000	Plates, sheets and strips of agglomerated or reconstituted mica, whether or not on a support of paper, paperboard or other materials, in rolls or merely cut into square or rectangular shapes	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (10.68 Thousand USD) based on the Imported value for FY21	

		140	'68159990	Articles of stone or other mineral substances, n.e.s. (excluding containing magnesite, dolomite or chromite and articles of graphite or other carbon): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (73.36 Thousand USD) based on the Imported value for FY21	
		141	'70181000	Glass beads, imitation pearls, imitation precious or semi-precious stones and similar glass smallwares, and articles thereof (excluding imitation jewellery); glass eyes (excluding prosthetic articles); statuettes and other ornaments of lamp-worked glass (excluding imitation jewellery); glass microspheres with a diameter of <= 1 mm	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5.95 % (692.2 Thousand USD) based on the Imported value for FY21	
		142	'70182000	Glass microspheres <= 1 mm in diameter	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (18.54 Thousand USD) based on the Imported value for FY21	
		143	'72221100	Bars and rods of stainless steel, only hot-rolled, only hot-drawn or only hot-extruded, of circular cross-section	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (65.49 Thousand USD) based on the Imported value for FY21	
		144	'72222000	Other bars and rods of stainless steel, not further worked than cold-formed or cold-finished	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (32.91 Thousand USD) based on the Imported value for FY21	
		145	'72223000	Other bars and rods of stainless steel, cold-formed or cold-finished and further worked, or not further worked than forged, or forged, or hot-formed by other means and further worked, n.e.s.	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (83.82 Thousand USD) based on the Imported value for FY21	

		146	'72230000	Wire of stainless steel, in coils (excluding bars and rods)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5.62 % (273.3 Thousand USD) based on the Imported value for FY21	
		147	'72282090	Bars and rods of silico-manganese steel (excluding semi-finished products, flat-rolled products and hot-rolled bars and rods in irregularly wound coils): other	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5.62 % (13.55 Thousand USD) based on the Imported value for FY21	
		148	'73042400	Casing and tubing, seamless, of a kind used for drilling for oil or gas, of stainless steel	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5.95 % (49.3 Thousand USD) based on the Imported value for FY21	
		149	'73044900	Tubes, pipes and hollow profiles, seamless, of circular cross-section, of stainless steel, not cold-drawn or cold-rolled "cold-reduced" (excluding line pipe of a kind used for oil or gas pipelines or of a kind used for drilling for oil or gas)	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (250.38 Thousand USD) based on the Imported value for FY21	
		150	'73064000	Tubes, pipes and hollow profiles, welded, of circular cross-section, of stainless steel (excluding products having internal and external circular cross-sections and an external diameter of > 406,4 mm, and products of a kind used for oil or gas pipelines or of a kind used in drilling for oil or gas)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5.95 % (277.15 Thousand USD) based on the Imported value for FY21	
		151	'73069000	Tubes, pipes and hollow profiles "e.g., open seam, riveted or similarly closed", of iron or steel (excluding of cast iron, seamless or welded tubes and pipes and tubes and pipes having internal and external circular cross-sections and an external diameter of > 406,4 mm)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5.95 % (87.5 Thousand USD) based on the Imported value for FY21	

		152	'73261920	Articles of iron or steel, forged or stamped, but not further worked, n.e.s. (excluding grinding balls and similar articles for mills): forgings of surgical & dental instruments	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (46.26 Thousand USD) based on the Imported value for FY21	
		153	'73262000	Articles of iron or steel wire, n.e.s.	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel product sector(s).	Increased competitiveness by 5 % (20.88 Thousand USD) based on the Imported value for FY21	
		154	'73269090	Articles of iron or steel, n.e.s. (excluding cast articles or articles of iron or steel wire): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags / Surgical Instruments product sector(s).	Increased competitiveness by 5 % (1509.52 Thousand USD) based on the Imported value for FY21	
		155	'76042910	Bars, rods and solid profiles, of aluminium alloys, n.e.s: bars and rods	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (31.2 Thousand USD) based on the Imported value for FY21	
		156	'76169990	Articles of aluminium, n.e.s: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (122.16 Thousand USD) based on the Imported value for FY21	
		157	'82031000	Files, rasps and similar hand tools of base metal	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5.62 % (50.05 Thousand USD) based on the Imported value for FY21	

			158	'83081010	Hooks, eyes and eyelets, of base metal, of a kind used for clothing, footwear, awnings, handbags, travel goods or other made-up articles: hooks	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags product sector(s).	Increased competitiveness by 5.62 % (180.4 Thousand USD) based on the Imported value for FY21	
			159	'83081020	Hooks, eyes and eyelets, of base metal, of a kind used for clothing, footwear, awnings, handbags, travel goods or other made-up articles: eyes and elyelets	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags product sector(s).	Increased competitiveness by 3.09 % (47.37 Thousand USD) based on the Imported value for FY21	
			160	'83082000	Tubular or bifurcated rivets, of base metal	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags product sector(s).	Increased competitiveness by 5.95 % (15.45 Thousand USD) based on the Imported value for FY21	
			161	'83089020	Clasps, frames with clasps without locks, buckles and buckle-clasps, of base metal, for clothing, footwear, handbags, travel goods or other made-up articles, incl. parts of articles of heading 8308, of base metal (excluding hooks, eyes, eyelets and tubular or bifurcated rivets): buckle	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear /Leather product sector(s).	Increased competitiveness by 5.95 % (95.05 Thousand USD) based on the Imported value for FY21	
			162	'84145910	Fans (excluding table, floor, wall, window, ceiling or roof fans, with a self-contained electric motor of an output <= 125 w): blowers including portable type with self contained electric motor	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (71.36 Thousand USD) based on the Imported value for FY21	
			163	'84148020	Air pumps, air or other gas compressors and ventilating or recycling hoods incorporating a fan, whether or not fitted with filters, having a maximum horizontal side > 120 cm (excluding vacuum pumps, hand- or foot-operated air pumps, compressors for refrigerating equipment and air compressors mounted on a wheeled chassis for towing): screw compressors	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (710.25 Thousand USD) based on the Imported value for FY21	

		164	'84224000	Packing or wrapping machinery, incl. heat-shrink wrapping machinery (excluding machinery for filling, closing, sealing or labelling bottles, cans, boxes, bags or other containers and machinery for capsuling bottles, jars, tubes and similar containers)	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (1156.02 Thousand USD) based on the Imported value for FY21	
		165	'84433220	Machines which only perform one of the functions of printing, copying or facsimile transmission, capable of connecting to an automatic data processing machine or to a network: ink jet printers	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (97.17 Thousand USD) based on the Imported value for FY21	
		166	'84433230	Machines which only perform one of the functions of printing, copying or facsimile transmission, capable of connecting to an automatic data processing machine or to a network: laser jet printers	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (285.57 Thousand USD) based on the Imported value for FY21	
		167	'84433990	Printers, copying machines and facsimile machines, whether or not combined (excluding those capable of connecting to an automatic data processing machine or to a network and printing machinery used for printing by means of plates, cylinders and other printing components of heading 8442): other	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (96.54 Thousand USD) based on the Imported value for FY21	
		168	'84439100	Parts and accessories of printing machinery used for printing by means of plates, cylinders and other printing components of heading 8442	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (135.3 Thousand USD) based on the Imported value for FY21	
		169	'84439990	Parts and accessories of printers, copying machines and facsimile machines, n.e.s. (excluding of printing machinery used for printing by means of plates, cylinders and other printing components of heading 8442): other	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (289.56 Thousand USD) based on the Imported value for FY21	

		170	'84589900	Lathes, incl. turning centres, for removing metal, not numerically controlled (excluding horizontal lathes)	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods /Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (78.75 Thousand USD) based on the Imported value for FY21	
		171	'84596990	Milling machines for metals, not numerically controlled (excluding way-type unit head machines, boring-milling machines, knee-type milling machines and gear cutting machines): other	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods /Surgical Instruments product sector(s).	Increased competitiveness by 3.09 % (11.13 Thousand USD) based on the Imported value for FY21	
		172	'84622900	Bending, folding, straightening or flattening machines, incl. presses, not numerically controlled, for working metal	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (61.8 Thousand USD) based on the Imported value for FY21	
		173	'84798990	Machines and mechanical appliances, n.e.s: other	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (3994.47 Thousand USD) based on the Imported value for FY21	
		174	'84812000	Valves for oleohydraulic or pneumatic transmission	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (90.8 Thousand USD) based on the Imported value for FY21	
		175	'85015290	Ac motors, multi-phase, of an output > 750 w but <= 75 kw: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (395.24 Thousand USD) based on the Imported value for FY21	

		176	'85021310	Generating sets with compression-ignition internal combustion piston engine "diesel or semi-diesel engine" of an output > 375 kva: of an output exceeding 375 kva but not exceeding 1100 kva	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.95 % (759.1 Thousand USD) based on the Imported value for FY21	
		177	'85340000	Printed circuits	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5 % (1680.84 Thousand USD) based on the Imported value for FY21	
		178	'85369090	Electrical apparatus for switching electrical circuits, or for making connections to or in electrical circuits, for a voltage <= 1.000 v (excluding fuses, automatic circuit breakers and other apparatus for protecting electrical circuits, relays and other switches, lamp holders, plugs and sockets): other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5 % (646.36 Thousand USD) based on the Imported value for FY21	
		179	'85389090	Parts suitable for use solely or principally with the apparatus of heading 8535, 8536 or 8537, n.e.s. (excluding boards, panels, consoles, desks, cabinets and other bases for the goods of heading 8537, not equipped with their apparatus): other	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5.62 % (1975.85 Thousand USD) based on the Imported value for FY21	
		180	'85444920	Electric conductors, for a voltage <= 1.000 v, insulated, not fitted with connectors, n.e.s: multi core, flexible, flat type copper, insulated (all features together)	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5.62 % (63.7 Thousand USD) based on the Imported value for FY21	
		181	'85444990	Electric conductors, for a voltage <= 1.000 v, insulated, not fitted with connectors, n.e.s: other	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5 % (2835.2 Thousand USD) based on the Imported value for FY21	

			182	'90011000	Optical fibres, optical fibre bundles and cables (excluding made up of individually sheathed fibres of heading 8544)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5 % (200.44 Thousand USD) based on the Imported value for FY21	
			183	'90019000	Lenses, prisms, mirrors and other optical elements, of any material, unmounted (excluding such elements of glass not optically worked, contact lenses and spectacle lenses)	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Surgical Instruments product sector(s).	Increased competitiveness by 5 % (416.32 Thousand USD) based on the Imported value for FY21	
			184	'90171010	Drafting tables and machines, whether or not automatic (excluding units for automatic data-processing equipment): plotters and other machines for designing textile garments, having cad/cam/cim system	3	0	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 3.09 % (8.19 Thousand USD) based on the Imported value for FY21	
			185	'95069912	Articles and equipment for sport and outdoor games n.e.s; swimming and paddling pools: bladders and covers of inflattable balls: football bladder	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.62 % (1.3 Thousand USD) based on the Imported value for FY21	
			186	'95069919	Articles and equipment for sport and outdoor games n.e.s; swimming and paddling pools: bladders and covers of inflattable balls: other	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5.62 % (1.8 Thousand USD) based on the Imported value for FY21	
			187	'96039000	Mops and leather dusters; prepared knots and tufts for broom or brush making; squeegees of rubber or other flexible materials; brooms and brushes, n.e.s.	20	16	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Goods product sector(s).	Increased competitiveness by 5 % (97.2 Thousand USD) based on the Imported value for FY21	
			188	'96062920	Buttons (excluding of plastics or base metal, not covered with textile material, press-fasteners, snap-fasteners, press studs and cuff links): buttons	11	6	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear/Leather	Increased competitiveness by 5.62 % (21.05 Thousand USD) based on the Imported value for FY21	

						product sector(s).	
189	'96062990	Buttons (excluding of plastics or base metal, not covered with textile material, press-fasteners, snap-fasteners, press studs and cuff links): other	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Gloves / Work Wear / Leather product sector(s).	Increased competitiveness by 5.95 % (5.65 Thousand USD) based on the Imported value for FY21
190	'96071900	Slide fasteners (excluding fitted with chain scoops of base metal)	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Wear/Apparel /Leather product sector(s).	Increased competitiveness by 5.95 % (1032.3 Thousand USD) based on the Imported value for FY21
191	'96072000	Parts of slide fasteners	16	11	Tariff	Increase Competitive advantage due to cost/ custom duty reduction related to Sports Bags product sector(s).	Increased competitiveness by 5.95 % (683.75 Thousand USD) based on the Imported value for FY21

12. **M/s Pakistan Wire Industries (Pvt. Limited, Karachi**

CHANGE IN CUSTOMS TARIFF RATES

PCT code	**Description**	**Existing rate of duty 2022-2023**	**Proposed rate of duty 2023-2024**	**Suggested to be changed through SRO or in Tariff**	**Brief justification/ rationales for Change**	**Quantify benefit to Consumer/ Industry**
8307.1000/ 8307.9000	Flexible tubing of base metal, of Iron or Steel, with or without fittings.	10% (RD)	30% (RD)	Amendment in SRO 966(I)/2022 dated 30.06.2022	The raw material for flexible tubing made of iron or steel is 7213 (Steel Wire Rod) which attracts RD of 15%/30% therefore causing reverse cascading. To encourage localization, cascading has to be restored.	Currently millions of dollars of finished goods is being imported. Local manufacturers can't compete due to reverse cascading. When cascading is reversed, local manufacturers will be able to compete with imports thereby resulting in job creation and saving of precious foreign exchange.

<table>
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<tr><td>8714.9200/ 8714.9900</td><td>Parts and accessories include Rim and Spokes of OTHER Vehicles</td><td>20% (CD)</td><td>35% (CD)</td><td>Tariff</td><td>Bicyle parts especially Rim and Spoke or similar to Motor Cycle parts making it impossible for examination officers to distinguish between them at examination stage. Therefore, it is suggested to equalize the tariff on both motor cycle and bicycle parts to take away the incentive of misdeclaration. Currently, a lot of Motor Cycle Nipples for Spokes are being imported by declaring them as Bicycle Spoke Nipples.</td><td>Equilization of Motor cycle parts duty with Bicycle parts would help the local Spoke Nipple manufacturers compete with imports thereby resulting in job creation and saving of precious foreign exchange.</td></tr>
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</td></tr>
<tr><td>13.</td><td>Steel Wire Rod Sector</td><td>
a. <u>To exclude High Carbon Steel Wire Rod under PCT Heading 7227.9010 and 7227.9090 as a raw material not being manufactured in Pakistan from levy of Regulatory Duty</u>
High Carbon Steel Wire Rod of Grades SWRH 62/2b and SWRH/82b are not being manufactured in the country and it is also not listed in CGO 02 0f 2017. This list of locally manufactured is notified under CGO 02 of 2017, and High Carbon Steel Wire Rod is not included as local manufactured product, whereas, another Article entitled as Hot Rolled Bars of Alloy Steel of Grades BSS-4461-1969, ASTM-A36-75,ASTM-61576a(1977) is listed under the serial number 374 a local manufactured product. There is a broad confusion or misunderstanding that mixed with High Carbon steel Wire Rod, which is not a real fact.
Another fact, which carries a strong weight that High Carbon Steel Wire Rod of grades SWRH 62/72b and SWRH 82b under PCT headings 7227.9010 and 7227.9090 are used as a raw material for manufacturing of pre-stressed concrete wire and strand, core wire strand for aluminium conductors, spring wires etc. There is no manufacturing unit of high carbon steel wire rod in the country. It cannot be feasible due to high rates of imposed duties and regulatory duties on PCT headings 7227 vide SRO 680 of 2019 regarding this affecting issue.
<u>Proposals:</u>
i. The High Carbon Steel Wire Rod is not listed in the list of locally manufactured vide CGO 02 of 2017, which is not the fact and authorities are imposing such uncalled far upon. This should be corrected and implemented accordingly.
ii. Another is to exempt Regulatory Duty on imports of High Carbon Steel wire Rod .this has to be amended in SRO 680 of 2019 to exclude and clarification in description of goods from 304 and 305 of SRO 680 of 2019.
</td></tr>
<tr><td>14.</td><td>Association of Builders and Developers of Pakistan (ABAD)</td><td>
a. <u>Removal of existing 30% RD on import of steel bars (HS Code: 7215.10)</u>
Due to the imposition of RD the cartel of large scale steel manufacturers are having undue advantage and have jacked up steel bar prices to Rs. 300,000 /MT. Resultantly, 50% of all ongoing construction projects have come to a halt.
Removal of RD will not only stabilize the prices of steel bar in Pakistan but will also help GOP to earn taxes @ Rs. 80000 per metric ton which is zero at present and make the local steel bars market competitive. This will also help the 72 allied industries attached with construction industry to survive in these difficult times thereby saving millions of jobs.
</td></tr>
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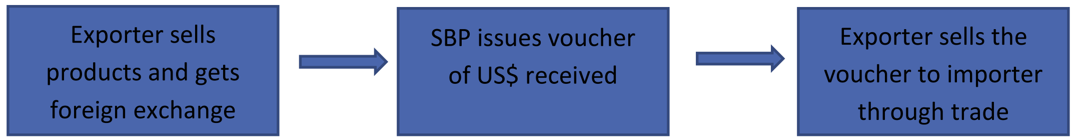
15.	**All Pakistan Corrugated Cartons Manufacturers Association (APCCMA)**	**a. <u>Reduction in Customs Duty & Remove Additional Duty on Virgin Kraft</u>** Virgin Kraft paper (HS Code 4801-1900) is not manufactured in Pakistan and widely used in export of good (textile, Garments) it is suggested that Customs Duty on Virgin Kraft paper be reduced from 20% to 30% and waived 6% Additional Duty (AD) under HS Code 4804-1900 **Because the customs duty on the Sack Kraft under HS Codes 4804-2100, 4804-2900 is 3% while its HS belongs to the same family 4804. We request National Tariff Commission to at least reduce virgin Kraft duty too as same on Sack Kraft i.e. 3%.** The reduction facility should be allowed only to manufactures of Corrugated Boxes for minimum one year only. b. **<u>Reduction in Customs and Additional Duty on Starch</u>** The customs duty of Starch under HS codes 1108.1200 is 16% and Additional duty is 4% we request to reduce its customs duty from 16% to 3% and waived additional duty. The reduction facility should be allowed only to manufacturers of corrugated boxes for minimum one year only. c. **<u>Reduction in Customs and Additional Duty on Import of Packing Strap</u>** The Packing Strap is not being manufactured in Pakistan because the raw material is not available in Pakistan (Virgin Raisin). The customs duty of Packing Strap HS Code 3920.2090 is 20% and Additional Duty is 6% we request to reduce its customs duty from 20% to 3% and waived additional duty. The reduction facility should also be allowed only to manufacture of corrugated boxes for minimum one year only. d. **<u>Subsidy on Paper Raw Material</u>** Government should allow 50% freight subsidy on imported of : OCC HS Codes 4707.9010 NCC HS Codes 4819.1000 Pulp HS Codes 4703.2100, 4703.2900, 4703.1100 The reduction facility should also be allowed only to manufactures of corrugated boxes for minimum one year only. **e. <u>Same Duty Structure on Final Product (i.e. Carton box) and major Raw material (i.e. Paper)</u>** It is pertinent to mention that the final product i.e. corrugated box (4819.1000) and major raw material i.e. paper (4804.1900, 4805.1100, 4805.2400 & 4805.2500) required to manufacture corrugated boxes, has same duty structure of 20% and 6% additional duty. Therefore, it is need of hour to reduce substantially the duty structure on major raw material i.e. paper. **f. <u>Stop Misusing SRO 326(1)2008</u>** Raw materials and paper are being misused under SRO 326 (1)2008 while the SRO 492(1)2009 is restricted importers for re-export. The importers are manipulating the SRO 326(1)2008 and importing more paper than their requirement while they cannot do so. Therefore, its import on the said SRO 326(1) 2008 should be stopped immediately. **g. <u>Revision of Custom value</u>** When we import paper it's evaluated at the time of import the process has been going on for many years and there is no revision. There is a big conflict, if today we are importing something for five hundred dollars and the customs have fixed the price at seven hundred dollar and they charge accordingly. If we start importing at nine hundred dollar instead of seven hundred dollar, then they charge nine hundred so this is a big Contradiction. We request you to kindly direct the concerned authority by using your good offices to fix the Customs Values of below HS codes on quarterly basis. 4804-1900.

16.	**M/s Pakistan Printing & Packaging Business Forum**	**a. <u>Revision of Custom value</u>** When we import paper it's evaluated at the time of import the process has been going on for many years and there is no revision. There is a big conflict, if today we are importing something for five hundred dollars and the customs have fixed the price at seven hundred dollar and they charge accordingly. If we start importing at nine hundred dollar instead of seven hundred dollar, then they charge nine hundred so this is a big Contradiction. We request you to kindly direct the concerned authority by using your good offices to fix the Customs Values of below HS codes on quarterly basis. 4804-1900.
17.	**Pakistan Bedwear Exporters Association (PBEA)**	**a. <u>Proposal to increase exports without any subsidy from the Government</u>** It is proposed to create a tradable voucher for every export dollar that exporters can sell to importers. The Price of this voucher can be determined by the open market through an exchange or a an online auction. All importers will be required to have this voucher for the amount they are importing. A proposed workflow for this is shared below:  Creating this product will make exporters more competitive in the global market and reduce imports since effectively all importer will have subsidize exporters. A similar product has been implemented in India in the past and increased their net foreign exchange earnings by 20%. **<u>Export Voucher</u>** What is Export Voucher? Export Voucher is an indirect benefit to the Exporter, which will be given to the exporter according to their export, earning the more value addition, more percentage of export voucher to be given. This instrument can be marketable at the stock exchange or at any transparent marketable, exporter either can use this for their own imports, or sell it in the marketable an get some premium on the voucher as importers will need min 25% of the export voucher to open their LCs or DA/DP for their imports. 1. Exporter will be given Export Voucher 30% maximum of the exports upon surrender of Foreign Exchange, which is earned against export. 2. This voucher can be marketable in any transparent market, like Stock Exchange. 3. Importer will need these vouchers to use to open LCs or DA/DP to a minimum of 25% of their Foreign Exchange requirement for opening the LCs or DA/DP. They will surrender this voucher to State Bank of Pakistan and in return State Bank of Pakistan will open the required LCs or DA/DP. 4. This is an indirect benefit to exporters without any subsidy from the Government. 5. The following items will get export voucher as per % of the Value Addition.

a - Leather Goods Group :- Leather manufactures, Leather garments, Leather gloves, Other leather manufactures, Leather Tanned.

b- Foods Group :- Basmati Rice, Other Rice Variety, Fish & Fish Preparation, Fruits, Tobacco, Meat & Meat Preparation, Poultry / Poultry Products All other Food items.

c- Chemical & Pharma Group :- Pharmaceutical Product, Other Chemical.

d- Textile Group :- Knitwear, Bedwear, Towels, Tents Canvas & Tarpaulins, Readymade Garments, Art Silk & Synthetic Textile, Made-up Articles, Other Textile Materials.

e- Sports Group : Footballs, Gloves and other Sports Goods.

f- Engineering Group :- Electric Fans, Transport Equipment, Other Electrical / Electronics Machinery, Machinery Specialized for Particular Industries, Auto parts & Accessories, Other Machinery.

g – Footwear Group :- Leather Footwear, Canvas Footwear, Other Footwear.

h – Other Manufactured Goods Group :- Surgical Goods & Medical Instruments, Cement, Cutlery, Carpets Rugs & Mats, Guar Products, Molasses, Jewelry, Furniture, Gems, Onyx Manufactured, All other Products.

I - Software.

6. The Following item will need export voucher to open Letter of Credit or DA / DP.

a - Other Chemicals Group :- Plastic Materials, All chemicals other than agriculture.

b - Machinery Group :- Power Generating Machinery, Office Machine, Textile Machinery, Construction & Mining, Electrical Machinery & Apparatus, Mobile Phone, Other Telecon Apparatus, Agricultural Machinery, Other Machinery.

c- Foods Group :- Dry Fruits & Nuts, Tea, Spices, Sugar, Pulses (Leguminous Vegetables), All Others Food items.

d- Metal Group :- Gold, Iron & Steel Scrap, Iron and Steel, Aluminum Wrought & Worked, All other Metals.

e- Textile Group :- Raw Cotton, Synthetic Fibre, Synthetic Fibre, Synthetic and Artificial Silk Yarn. Other Textile items.

f- Transport Group :- CBU Buses Trucks and other Heavy Vehicles, CBU Motor Cars, CBU Motor Cycles, CKD Buses Trucks and other Heavy Vehicles, CKD Motor Cars, CKD Motor Cycles, Parts and Accessories, Others, Aircrafts Ships and Boats, Others Transport Equipments, Cars, Trucks, Vans.

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<tr><td></td><td></td><td>g- Miscellaneous Goods Imports Group :- Rubber Crude Incl. Synthetic, Rubber Tyres and Tubes, Wood and Cork, Jute, Paper and Paper Board, All others items.

h- Dyes and Chemical for ready use.

7. Total Exports in terms of US$ is 32.96 billion.
8. Total imports in terms of US$ is 80.17 billion (inclusive of US$ 39.51 billion of petroleum and other items for which export voucher not required.

9. Total vouchers will be available in the market of US$ 6.42 billion of export voucher; thereby imports will be limited to US$ 25.68 billion , as importer needs min 25% voucher to import any products other than products where voucher is not required (essential products).

10. The above data collected as per import export performance of year 2021-22 (source Pakistan Business Council).

11. If we want to import as proposed, we need voucher total US$ 10.19 billion to import as per past.

12. As per above scheme, there will be shortage of Export Voucher which ultimately reduce import, and give benefit to exporter in return. Exporter will work hard to earn more dollars, and in finally the foreign exchange reserve will improve if above scheme is implemented.
13. Country's Balance of Payment will improve from the very first month of implementation the scheme.</td></tr>
<tr><td>18.</td><td>OPL</td><td>
<table>
<tr><th>S.No.</th><th>Existing section/clause of the Act requiring amendment</th><th>Suggested amendment</th><th>Position after suggested change</th><th>Brief Justification/ Rationale for proposed change</th></tr>
<tr><td>1</td><td>3</td><td>4</td><td>5</td><td>6</td></tr>
<tr><td>1</td><td>Customs Act</td><td>Inclusion of Paracetamol H.S. Code 2924.2910 in 5th Schedule Part - II Table A (Active Pharmaceutical Ingredients).</td><td>5% Custom Duty</td><td>Paracetamol Injectable Grade is not being manufactured locally hence CD should be less than 5%.</td></tr>
<tr><td>2</td><td>Customs Act</td><td>Inclusion of Ciprofloxacin Injectable Grade H.S. Code 2933.5930 in 5th Schedule Part - II Table A (Active Pharmaceutical Ingredients).</td><td>5% Custom Duty</td><td>Ciprofloxacin Injectable Grade is not being manufactured locally hence CD should be less than 5%.</td></tr>
<tr><td>3</td><td>Customs Act</td><td>Inclusion of H.S. Code
'2106.9090
'2815.2000</td><td>Additional Custom Duty & Sales Tax to be exempted.</td><td>Pharmaceutical finished product prices are controlled and cannot be</td></tr>
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</table>

				'2827.2000 '2827.3100 '2827.3900 '2832.1090 '2905.4300 '2915.2930 '2915.9000 '2918.1110 '2922.4100 '2922.4990 '2922.5000 '2925.2990 '2930.9099 '2933.2900 '2930.4000 '2933.9990 '2936.2900 '2936.2500 '2936.2300 '2936.2700 '2906.1300 '8309.9090 '4014.9000 '3506.1000 '3004.9099 in 5th Schedule Part - II Table A (Active Pharmaceutical Ingredients).		increased.	

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<td>4</td>
<td>Customs Act</td>
<td>Inclusion of
(i). Dextrate(Pharmaceutical grade).
(ii). Dextrose (injectable grade and pharmaceutical grade)
H.S. Code 1702.3000 in 5th Schedule Part - II Table A (Active Pharmaceutical Ingredients).</td>
<td>0% Custom Duty</td>
<td>Dextrose Injectable Grade is not being manufactured locally hence CD should be 0%.</td>
</tr>
<tr>
<td>5</td>
<td>Customs Act</td>
<td>Inclusion of
Polyethylene (Pharmaceutical grade).
H.S. Code 3901.1000 in 5th Schedule Part - II Table A (Active Pharmaceutical Ingredients).</td>
<td>0% Custom Duty</td>
<td>Polyethylene (Pharmaceutical grade) is not being manufactured locally & is used soley by IV Solution Manufacturers hence CD should be 0%.</td>
</tr>
<tr>
<td>6</td>
<td>Sales Tax Act</td>
<td>Replace the words "Active Pharmaceutical Ingredients, excluding excipients" with "RAW MATERIALS" in Sales Tax Act, The EIGHTH SCHEDULE, Table - I, Sr. No. 82.</td>
<td>1% Sales Tax</td>
<td>Sales Tax is not applicable on Pharmacutical Finished Product Hence it should be exempted.</td>
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<td>19.</td>
<td>Pakistan Tea Association (PTA)</td>
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<u>Bullet Points Proposals</u>

1. FTA with Kenya to avoid misuse of smuggling / FATA/PATA/Etc.
2. Tea is used as raw material whereas maximum retail price tax is taken at import stage. Tea in packing of more than 5 kg should not be considered as retail packing and MRP should be abolished and collected only at retail packing less than 5kg if at import stage.
3. Level playing field for importers.
4. Extension not granted to FATA/PATA after June, 2023

<u>Benefits:</u>
1. Prevent misuse of exemption which significantly increases revenue.

Major relief to masses as tea is an essential food item for all.
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Federal Excise Duty

Sr. No.	Name of Trade Body / Stakeholder	Proposals / Suggestions (FED RELATED)	Remarks
20.	**Travel Agents Association of Pakistan (TAAP)**	**1.1. <u>FED on Air Tickets</u>** **<u>Issue</u>:** Vide Finance Supplementary Bill, 2023, the proposed enhancement in the Federal Excise Duty (FED) on air tickets of club, business and first-class travelers to 20% of the gross amount of tickets or Rs. 50,000/- per ticket, whichever is higher and to be levied on tickets issued after the approval of proposed Finance Supplementary Bill, 2023. **<u>Proposal:</u>** It is suggested that instead of 20% on gross tickets, a fixed amount of PKR 60,000/- for business / first class and PKR 6,000/- for economy class tickets to be collected from the passenger at the departing terminal, by the government authorities.	

FPCCI'S FEDERAL BUDGET PROPOSALS FOR 2023-2024

General Proposals

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue	Proposed Amendment	Rationale / Justification
1	**Fleet Operators Association of Pakistan (FOAP)**	Axle Load Regime	National Highways Safety Ordinance, NHSO-2000, still awaited to be implemented	FPCCI needs to push the departments for the implementation of the laws of the land	
		DGTO license	FOAP applied in November 2019 to renew its license, but still, the license has not been renewed.	Kindly intervene and request DGTO for the swift renewal of the license for FOAP	
2	**Faisalabad Women Chamber of Commerce and Industry (FWCCI)**			Foreign Exchange regulations may be amended and Sales / Purchase of Dollars should be monitored like the point of sales system in sales tax to be implemented on Money Changers (MC) and Exchange Companies (EC). Persons traveling abroad should be asked to show a Purchase Slip of Foreign Currency carrying with them, issued by Banks, MCs, or ECs. A reduced Dollar Rate is the only key to instantly controlling inflation.	
3	**Pakistan Tanners Association (PTA)**	Import of Sodium Sulphide		To avoid cumbersome procedures for importing "Sodium Sulphide" from China, a fundamental basic chemical for the Tanning Industry for processing raw hides & skins for value addition.	
		Quarantine Condition		Removal of irrational "Quarantine Condition" which is in duplication as re-imposed in the Import Policy issued in April 2022 for the import of basic Raw Materials such as wet, blue, hides & skins, and pickled leather for necessary value addition for re-export to the world for foreign exchange.	
		Desired Funds		To allocate desired funds of Rs. 900 Million for reimbursement to the individual Treatment Plants already established in Tanneries of Pakistan, which is one of the basic requirements for registration in the Leather Working Group (LWG). The necessary proposal submitted to EDF/MOC already.	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue	Proposed Amendment	Rationale / Justification
		Financial Support		To allocate the desired funds with 80% financial support for Int'l marketing & participation in Int'l leather fairs around the globe by PTA's member exporters for exploration/expansion of business avenues for the promotion of exports. A complete proposal is already submitted to EDF/MOC.	
		Harassment by Tax authorities	The tax authorities harass people already in the tax net and raise a huge amount of undue tax demand.	This practice should be discouraged/avoided to encourage exporters/manufacturing in Pakistan	
		Complex Tax System	Five different tax authorities create complexities for taxpayers	There should be one authority responsible for tax collection	
4	**Pakistan Cutlery & Stainless Utensils, Manufacturing and Exporters Association**	Removal of Advance Tax collection	advance tax collection from the exporters/commercial exporters is irrational under the prevailing circumstances where the import is halted for the approval of SBP for the import of L/C's	The Advance Tax collection should be stopped	
		Shipment on DA basis	The shipment on DA basis was 180 days maximum but now the DA basis is 120 days.	It is requested to restore the shipment on DA basis from 120 days to 180 days.	
		DLTL	The DLTL SRO No. 711 regarding Local Taxes and Levies Drawback (Non-Textile) Order, 2018 is not furthermore entertained by the Ministry of Commerce. The SRO was valid on shipment up to June 2021.	It is requested to restore the DLTL facility for export enhancement	
		Problems for New Exports	SBP imposed a limit of $250,000 for New Exporter to export through Open Account (Credit)	GoP and SBP should remove the limit of $250,000 for new exporters at the earliest to complete in International Market	It is impossible to compete on credit terms as imposed by SBP on new exporters.
		Cutlery Art & Craft Village Wazirabad	A project launched by the Government of Punjab to uplift and develop very small production units. However, the project cost of 10 million per unit is too high for the focused class of manufacturing units.	We request to develop these projects on a matching grant basis, so that the cost of a unit may become manageable. In addition, it is proposed that 10% of the cost of a unit should be paid at the start of the project. The other 10% will be paid on balloting, whereas the remaining 80% would be paid in 80 quarterly installments.	As for as the annual operational cost of the project is concerned, the additional 01% operational tax may be imposed on the total annual sale to meet the running cost of this project.

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue	Proposed Amendment	Rationale / Justification
		SBP Refinancing Facility for Cutlery Sector	The State Bank of Pakistan should play its maximum efficient role in the development/progress of small and medium enterprises.	The SBP should facilitate Pakistan Cutlery Sector Wazirabad in improving production and upgradation of units against the @6% refinance scheme markup	
		Export Enhancement	Transport is charged discriminately at a Withholding rate of 3%, while it was reduced to 2% for the transport of oil	The package for enhancement of export in Federal Budget 2023-24 minimum Rs. 5,000/- millions availability of loans especially without interest be specified for the development/improvements of Pakistan Cutlery Sector	Rs. 2,000/- millions be specified/provided as loans without interest in the above-mentioned package for the availability of modern technology so that production costs can be minimized as compared to India and China. India and China possess modern technology and it has become difficult to compete with these countries.
5	**Pakistan Printing & Packaging Business Forum (PPPBF)**	Grant Industrial Status to the Packaging Sector	Packaging is the world's third largest industry and in India's case, packaging is the 5th largest sector in its economy.	Packaging Sectors are the main supplier of packaging to all the stakeholders of the economy whether they are running domestic businesses or doing exports. The Packaging sector is playing an important role in promoting the products of indigenous industries not only to the end consumers but also to the international markets through its packaging. Packaging is the largest sector after textile; it's a labor-intensive sector creating employment nationwide. Five million people are directly and tend million people are indirectly employed in the Packaging sector. Major industries in Packaging are Paper, Plastic, Tin, and Glass. Corrugated Packaging is a big sector after textiles but is still not declared as an industry. The Packaging sector should be granted with the status of 'Industry' because it is the mother of all industries. The government will get many benefits after regularizing this sector.	
		Declare Packaging Sector as Essential Category	The packaging sector should be granted the essential category status as it is the SME and SME is the backbone of the economy.	The packaging sector plays a pivotal role in the export of Pharmaceuticals, Textile, Fruits, FMCGs, etc.	

S. No.	Association/ Chamber/ Individual	Section / Clause / Rule	Issue	Proposed Amendment	Rationale / Justification
		To Establish the R&D Institute for the Packaging Sector		As packaging is known as the mother of all industries so this sector needs to be granted an R&D institute to increase the efficiency and production of the packaging sector.	
		Declare Packaging Sector as Export Oriented Sector		The packaging sector has a lot of potential for exports. More incentive from government may result in higher exports	
		Special Budget for Value-Addition Exports		Significant results can be obtained in any industry with value addition in its products. The rising prices could double or triple the value cif the product instead of exporting it in its raw form. We suggest that the government allocate a special budget to encourage value-added exports.	
		Energy & Gas Prices		Energy Prices: Energy prices must be uniform in all provinces; Electricity prices increase gradually which has increased the cost of doing business. MP Electricity tariff for all the industrial sectors should be reduced through the elimination of taxes. The MDI fix tariff should also be reduced for the industrial sector. Same goes for the gas tariffs, an uninterrupted gas should be supplied to industries and at reduced tariffs.	
6	**Pakistan Association of Large Steel Producers (PALSP)**			- Non-opening of LCs could result in closure / irreparable damage to the steel industry as well as the economy and huge job losses. - Unprecedented devaluation & increase in interest rates is playing havoc with the industry. - Working capital requirements have more than doubled and there has been an unprecedented increase in the cost of doing business - Factors hindering growth include smuggling of steel (from Iran), tax pilferage by a segment of industry, manufacturing & sale of substandard steel, under-invoicing & misdeclaration	

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7	**All Pakistan Stainless Steel Importers & Traders Association (APSSITA)**		We would recommend to allow the terms of "Open Account" for Commercial Importers just like Manufacturers.		
8	**Pakistan Hotels Association**	Measures for Foreign Exchange		- The Government should take immediate measures to stop illegal transfer of Foreign Currencies outside Pakistan. - Stop artificial control on USD and let it be regulated as per fair market price. - Curtail of unnecessary Import, this will generate local revenue through local industries - Deadlock and Gap of price between Government and forex companies should be over. - To ease the process of Remittances of Foreign Currency by Overseas Pakistanis, further initiatives to be taken on Roshan Digital Account. - Schemes should be announced for Overseas Pakistanis to invest in their homeland and get benefits and discounts on purchases/ Investment in industries so they will be motivated to invest and assurance of their investments should be guaranteed by the Government of Pakistan. - PSX - Measures should be taken to develop trust of investors in Stock Exchange. If certain taxation is required, it should be taken into consideration and review on dividends etc. - Trust building should be stronger between the state and public in order to come out of this crisis and all necessary actions to be taken on immediate basis.	
				i- Variations in forex reserves greatly impact on Tourism and local trade due to high inflation, the cost of production gets affected. ii. Custom Clearance – Process should be made easy in order to avoid demurrage and other Port charges. iii. Tax horizon to be broadened as presently existing Tax Payers are being overburdened due to this. Huge taxes is not a solution, but government should increase Tax net to get more taxes for longer term.	

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				iv. Taxation is very important tool for a state to get fund hence this important area should be revisited so that the prices may be kept in control and be within the reach of end user. v. State Bank of Pakistan should make it mandatory for Payment in Foreign Currency by Foreigners settling their bills for Hotels, Motels, Guest Houses and A Class Restaurants. vi. Hotels and Tourism Industry of Pakistan should be given a relaxation in tax so they can promote Tourism and generate more revenue for the country. vii. To increase the Exports, measure should be taken on exports and SBP must ensure the export remittance to come to Pakistan. The Government should take measures to review the perk and privileges given to Government Officials and Others. viii. The government should take measures to control unnecessary expenses. ix. The present tariff of Electricity and Gas is a biggest hurdle to control the cost of production to the Industry; government should take necessary measures in this regard. x. Local products get less value in-front of imported items whereas it takes a lot of dollars away for nothing in terms of import, hence local product should be promoted and sell at an adequate price and improved quality. xi. Domestic tourism should be promoted and Ministry of Tourism and Foreign missions may play a vital role in this regard.	

The Federation of Pakistan Chambers of Commerce & Industry

FPCCI HEAD OFFICE, KARACHI
Federation House, Tariq Sayeed Complex,
Main Clifton, Karachi, Pakistan
Tel: 021-35873691-94 Fax: 021-35874332
E-mail: info@fpcci.org.pk, Web: www.fpcci.org.pk

FPCCI CAPITAL OFFICE, ISLAMABAD
Eml: islamabad.capital@fpcci.org.pk

FPCCI REGIONAL OFFICE, LAHORE
Eml: lahore.regional@fpcci.org.pk

FPCCI REGIONAL OFFICE, PESHAWAR
Eml: peshawar.regional@fpcci.org.pk

FPCCI REGIONAL OFFICE, QUETTA
Eml: quetta.regional@fpcci.org.pk

FPCCI REGIONAL OFFICE, GILGIT BALTISTAN
Eml: gilgit.regional@fpcci.org.pk

FPCCI REGIONAL OFFICE, GWADAR
Eml: gwadar.regional@fpcci.org.pk