

**PAKISTAN TANNERS ASSOCIATION**

**BUDGET PROPOSALS 2011-12**

**Changes in Customs Tariff/Sales Tax/Income Tax**

PCT NO.	DESCRIPTION	EXISTING RATE OF DUTY 2010-11	PROPOSED RATE OF DUTY 2011-12	SUGGESTED TO BE CHANGED THROUGH SRO OR IN TARIFF	BRIEF JUSTIFICATION/RATIONALE FOR CHANGE
8453.1000	Tanning Machinery	5%	0%	change through Tarrif	Allow duty free import because the locally produced machines are not of that standard as to produce quality goods for export. Most of machines not produced in Pakistan
2915.1100	formic acid 85%	25%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export.
3402.1110	sulphonic acid	15%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export.
3202.9010	tanning substances based on chromium sulphate	20%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3202.9090	synthetic organic tanning substance - Limmimg Agent	10%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3204.1200	acid dyes	15%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3210.0020	pigments	20%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3402.1190	anionic (other)	20%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3201.1000	Quebracho Extract	5%	0%	Change through Tariff	Quality is not consistant for producing high quality leather for export.

3402.1290	cationic (other)		20%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3402.1300	non ionic-Decreasing Agent		20%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3402.9000	surface active preparation		25%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3403.0000	fat liquours		20%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3404.0000	artificial and prepared waxes		10%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3501.0000	casein, casein derivatives		10%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3809.9300	finished agents / dye carriers		15%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3906.0000	polymers (resins)		20%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.
3912.2010	polymers (resins)		20%	5%	change through Tarrif	Quality is not consistant for producing high quality leather for export. In case of dyestuff, fat liquors, casein, waxes, polimers the certain high quality products which fall under this h.s. code are not produced in Pakistan.

6805.2000	buffing papers		20%		5%	change through Tarrif	not produced in Pakistan
8208.9000	blades		20%		5%	change through Tarrif	not produced in Pakistan
2710.9090	ULTRA COOLANT OIL		15%		5%	change through Tarrif	not produced in Pakistan
2828.9000	Oxidizing Agent		5%		0%	Change through Tariff	Quality is not consistant for producing high quality leather for export.
2830.1090	Sodium Sulphide Solid		5%		0%	Change through Tariff	Same as above.
2830.1010	Sodium Hydrosulphide		5%		0%	Change through Tariff	Same as above.
2841.3000	Sodium Dichromate		5%		0%	Change through Tariff	Same as above.
2909.4490	Ethyle Glycole		5%		0%	Change through Tariff	Same as above.
2930.2000	Anti Bacteria		5%		0%	Change through Tariff	Same as above.
3201.9020	Chednut Extract Kps 72%		5%		0%	Change through Tariff	Same as above.
3202.1000	PU Polymer		5%		0%	Change through Tariff	Same as above.
3808.9199	Fungicides		5%		0%	Change through Tariff	Same as above.
3808.9199	Delimming Agent		5%		0%	Change through Tariff	Same as above.
3909.5000	PU Urethane		5%		0%	Change through Tariff	Same as above.
3204.9090	Disprese Dyes and Preparation based thereon		10%		5%	Change through Tariff	Same as above.
3404.9090	Artificial Waxes and prepared Waxes		10%		5%	Change through Tariff	Same as above.
3906.9090	Acrylic Polymers		10%		5%	Change through Tariff	Same as above.
3809.9300	Finishing Agents		15%		5%	Change through Tariff	Same as above.
2836.3000	Sodium Bicarbonate		20%		5%	Change through Tariff	Same as above.
3403.9110	Fat Liqours		20%		5%	Change through Tariff	Same as above.
3912.2010	Shiny Liqours		20%		5%	Change through Tariff	Same as above.
3921.1300	Of Polyurethanes		20%		0%	Change through Tariff	Same as above.
3921.9090	Foils		20%		5%	Change through Tariff	Same as above.
3920.6310	Foils		5%		0%	Change through Tariff	Same as above.
3212.1000	Metalic, Patent and Polyser Foils		20%		5%	Change through Tariff	Same as above.
						Change through Tariff	Custom Duty on tanning Spares, felts and buffing papers should be zero rated to enhance export of leather & leather products.
4823.9090	PH Paper		5%		0%		
7318.1900	Screw, Boltd, Nuts, Scre Hooks		20%		0%	Change through Tariff	Same as above.
7318.2900	PL Locking Nut		20%		0%	Change through Tariff	Same as above.
8504.5390	Drum Moter		25%		0%	Change through Tariff	Same as above.
9603.5000	Felt Rolla		25%		0%	Change through Tariff	Same as above.
8208.1900	shaving / Fleshing / Splitting Blades		20%		0%	Change through Tariff	Same as above.
5911.9000	Blades		20%		0%	Change through Tariff	Same as above.
4112.0000	Finished Leather - Goat or Sheep	(Duty Drawback Rate)	0.8%		6.30%	Change through SRO	It will cause to boost export more enthusiastically.
4107.1200	Finished Leather - Cow or buffalo or camel hide & side	(Duty Drawback Rate)	1.17%		6.30%	Change through SRO	This facility will enable the exporters of leather industry to sustain on its feet which is on the verge of collapse.
respective heading	Samples		different duty rates		free of duty and taxes	change through SRO	Due to their high importance in new development and most of the time export orders depend on these samples. Therefore, the method of their custom clearance should be simple, swift & free of all taxes. So, we can compete the Globe market in right time with attractive price.

### Change in rules / procedures

SR. NO.	Existing rules/procedure alongwith SRO/CGO No & date	Suggested Change	Position after suggested change	Brief Justification / Rationale for proposed change
1	Refund of sales tax against imported free samples is not allowed	it should be allowed like normal refund	it will make possible 100% refund of sales tax.	
2	Sindh government is charging 0.85% excise tax on all imports from Karachi	It should be minimized upto 0.1% or removed in order to boost the leather industry. Our raw consignments are very high in value.	It will help in reducing per SF price of finished leather and getting export orders.	
3	Under Customs Rules SRO 450(i)/2001 dated 18.06.2001. Public notice no. 07 of 2009. Requirement for packing list and invoice in the imported cargo.	Industrial importers should be exempted from this requirement.	It will allow us fast clearance of products imported for export orders and will also avoid penalties that will reduce our manufacturing cost.	If industrial importers are included in the list of exempted goods as well as Free Samples in categories envisaged in Customs Public Notice No.07 of 2009 it will go a long way in boosting activities and the goods imported for the purpose of re-export would ultimately increase exports.
4	SRO 655(i)/2007, 1% Federal Excise duty has been imporsed on defferent importable items.	it should be removed	As we export and compete with India and Bangladesh etc. it increase the cost of our product and make us uncompetative.	
5	SRO 492(i)/2009, Temporary import of hides and skins is not allowed under sro.	wet blue and crust hides should be included in this sro	It will invite the more job work in Pakistan thus more employment.	
6	1% withholding tax is being charged against imports under section 148 of Income tax ordinance	it should be Zero rated	To compete with the int'l market as our products are 100% export.	
7	3% Civil aviation free on airfreight (IATA rate) of imported cargo is chargeable.	It should be maximum 0.50% and charged on actual amount of freight paid on the cargo	To rationalize tariff for the benefit of importers.	