



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collector of Customs, Model Customs Collectorates (Appraisement / PaCCS / Port Qasim / Preventive), Karachi / Lahore / Multan / Islamabad / Sambrial / Faisalabad / Hyderabad / Quetta / Peshawar.

DETERMINATION OF CUSTOMS VALUES OF PAINT BRUSHES AND
ROLLER BRUSHES UNDER SECTION 25-A OF CUSTOMS ACT, 1969.

(VALUATION RULING NO. 463 / 2012)

No: Misc/1/2011-V/H-B

Dated: 18th July 2012.

In exercise of the powers conferred under section 25-A of the Customs Act, 1969, the Director, Directorate General of Customs Valuation, Karachi, has determined the customs values of paint roller frame, paint roller and paint brushes, etc. for assessment of duty / taxes on these goods when imported into the country.

1. Description of the valuation issue Since the earlier customs values of roller frame, paint roller and paint brushes were determined about a year ago through Valuation Ruling No.361 dated 02-08-2011, a redetermination of custom values of these goods was considered to reflect the current price trends in the international market. This prompted an exercise to re-determine the custom values of the aforestated goods.

2. Methodology adopted to determine customs values Valuation methods given in section 25 of the Customs Act, 1969 were examined to ascertain which methods were applicable to the valuation issue in hand in terms of section 25-A (1) of the Act. Transactional value method provided in section 25(1) was found inapplicable because sufficient information with respect to adjustments to be made to the transactional value in terms of section 25(2) was not available. The record of customs values of identical and similar goods in terms of section 25(5) & (6) was examined to gain an insight into the levels of current declared values. These methods of valuation proved unhelpful because of the scanty imports of the goods in question during the relevant period and their vague and incomplete descriptions in the importers' declaration. The Deductive Value Method provided in section 25(7) of the Act was examined and found applicable to the valuation issue in the instant case. Since the manufacturers' costs of producing the goods in question in the country of exportation were not available, Computed Value Method as provided in section 25(8) could not be applied for valuation of the aforestated goods. Deductive Value Method was, therefore, the methodology adopted for valuation in the instant case.



3. Evidence used to determine custom values Meeting was held with stakeholders on 18-06-2012. A local manufacturer of the goods in question contended that the goods were being imported mostly from China by commercial importers on under invoiced value. The importers were of the view that due to low cost of labour and electricity in the country of exportation, the import prices are also low. Evidence furnished by an enquiry into the prices of imported goods prevailing in the local markets was used to determine the following customs values of the goods in question.

4. Customs values for Roller Frame, Paint Roller and Paint Brushes The roller frame, roller, and paint brushes of *China Origin* hereinafter specified shall be assessed to duty / taxes on the customs values mentioned against them in the table below:

S.No.	Description of goods	PCT Heading	Custom Value (US\$ per piece)
1.	Roller Frame	9603.4000	0.46
	Paint Roller Sleeves (Refill)	9603.4000	0.66
3	Paint Roller	9603.4000	1.52
4	Paint Roller Set with Tray	9603.4000	2.30
5	Paint Roller Extension Pole (Made of Aluminum)	9603.4000	7.86
6	Paint Roller Extension Pole (Made of Steel / PVC)	9603.4000	1.28
7	Paint Brush, Size.....½ inch	9603.4000	0.23
8	Paint Brush, Size.....1 inch	9603.4000	0.35
9	Paint Brush, Size.....1½ inch	9603.4000	0.38
10	Paint Brush, Size.....2 inch	9603.4000	0.86
11	Paint Brush, Size.....2 ½ inch	9603.4000	0.96
12	Paint Brush, Size.....3 inch	9603.4000	1.40
13	Paint Brush, Size.....4 inch	9603.4000	1.85
14	Paint Brush, Size.....5 inch	9603.4000	2.22



5. Validity of this Valuation Ruling The customs values determined in the Ruling shall continue to be the applicable customs values for the aforementioned goods till the time this Valuation Ruling is rescinded or revised by the competent authority in terms of section 25A of the Customs Act, 1969. Moreover, this Valuation Ruling applies to cases where declared values are less than the customs values determined in the Ruling. In cases where declared values are more than the customs value determined in the Ruling, the concerned assessing officers shall accept the declared values in terms of section 25(1) of the Customs Act, 1969.

6. Remedies against this Valuation Ruling The Customs Act, 1969 provides efficacious alternate remedies against this Ruling. Section 25-D provides that any person aggrieved of the Ruling may file a revision petition within 30 days from the date of this Ruling

before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi. An appeal against the decision in revision of the Director General can be filed within 60 days of the decision before the Customs Appellant Tribunal, under section 194-A (1) (e) of the Customs Act, 1969.

(Muhammad Javed Ghani)

Director

Copy for information to:-

- (1) S.A TO Chairman, F.B.R., Islamabad.
- (2) Member (Customs), F.B.R., Islamabad.
- (3) Chief Collectors of Customs (South), Custom House, Karachi.
- (4) Chief Collectors of Customs (North), Custom House, Islamabad.
- (5) Director General, Intelligence and Investigation, Islamabad.
- (6) Director General, Post Clearance Audit, Islamabad.
- (7) Director General Internal Audit, (Customs), Islamabad.
- (8) Director General, Customs Valuation, Custom House, Karachi.
- (9) Director, Intelligence and Investigation, Karachi / Lahore / Islamabad.
- (10) The Project Director WebC, 11th Floor, Custom House, Karachi.
- (11) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi for uploading in One Customs & WebC database on the date of issue of this ruling.
- (12) Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- (13) Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
- (14) Karachi Customs Agents Group, Bohri Road, Karachi.
- (15) Guard File.