



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorate, Appraisement (East / West)/Port Qasim/ Preventive), Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan.

DETERMINATION OF CUSTOMS VALUES OF NEW BRANDED HEAVY MOTORCYCLES UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO.672 / 2014)

No.Misc/15/2011-VIII-A

Dated: April 3rd, 2014

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of **New Branded Heavy Motorcycles** imported from different origins are determined as follows : -

1. **Background of the valuation issue :** The Customs values of **Used Branded Heavy Motorcycles** were determined under Section 25A of the Customs Act, 1969, vide Valuation Ruling No.554/2013 dated 10-05-2013 and Corrigendum dated 04-06-2013. A reference bearing C.No.SI/Misc/98/2010-V(VII) dated 11-02-2014 was received from MCC Appraisement (West), Karachi whereby it was pointed out that the said ruling was silent regarding model (year) and proposed to determine the Customs values of New Heavy Motorcycles for five importable years. Therefore, an exercise was conducted to determine the Customs values of the subject motorcycles under Section 25-A of the Customs Act, 1969 to reflect the actual prices prevailing in the international market.
2. **Method adopted to determine Customs values :** Valuation methods given in Section 25 of the Customs Act, 1969 were followed. Transaction value method in terms of Sub-Section (1) of Section 25 could not be applied because the requisite information required under the law was not available. Identical / similar goods value methods provided in Sub-Sections (5) & (6) of Section 25 ibid provided some reference values in respect of import of new heavy motorcycles by renowned local assemblers. Market enquiry in terms of Sub-Section (7) of Section 25 was not found helpful in determining the Customs values of the subject motorcycles. Computed value method as envisaged under Sub-Section (8) of Section 25 of the Customs Act, 1969 was found applicable as cost of raw materials and fabrication charges under clause (a) and amount of profit and general expenses under clause (b) of Sub-Section (8) of Section 25 of the Act, in the country of export, has been reflected in **MSRP** of the motorcycle manufacturers. Accordingly, the following FOB values of imported new branded heavy motorcycles of various origins have been determined / calculated under Computed Value Method as envisaged under Sub-Section (8) of Section 25 of the Customs Act, 1969, read with Sub-Section (9) Section 25 of the Act ibid on the basis of **MSRP** of motorcycle manufacturers after allowing necessary discount on account of domestic taxes and commission/other charges.



3. **Stakeholders' participation in determination of Customs values:** Meetings were held with stakeholders on 17-03-2014 which were attended by the representatives of APMA, importers and local assemblers and representatives of MCC Appraisement (East/West) & Port Qasim., Karachi.

4. **Customs Values of New Branded Heavy Motorcycles :** New Branded Heavy Motorcycles *hereinafter specified*, shall be assessed to duty / taxes on the Customs values mentioned against them in the Tables below:-

Table-A
Suzuki, Yamaha, Honda, Kawasaki, Triumph, KTM, BMW

Sr. No.	Engine Capacity	PCT	PCT for WeBOC	Customs Values (FOB) US \$ per CC				
				2009	2010	2011	2012	2013
1	250 CC to 500CC	8711.5090	8711.5090.1000	10.92	10.92	10.92	11.19	11.47
2	501 CC to 650CC	8711.5090	8711.5090.1100	9.86	10.56	10.63	10.83	10.85
3	651CC to 900CC	8711.5090	8711.5090.1200	8.64	9.10	9.10	9.30	9.30
4	901CC to 1000CC	8711.5090	8711.5090.1300	8.30	8.98	9.21	9.44	9.51
5	Above 1000CC	8711.5090	8711.5090.1400	6.21	6.21	6.29	6.34	6.41

Table-B
Harley Davidson

Sr. No.	Engine Capacity	PCT	PCT for WeBOC	Customs Values (FOB) US \$ per CC				
				2009	2010	2011	2012	2013
1	Above 1000CC	8711.5090	8711.5090.1500	8.13	8.13	8.24	8.31	8.40

Note:- The addition of freight charges, 1% insurance and 1% landing charges shall be made at the time of assessment.

5. In cases where declared values are higher than the Customs value determined in this Ruling, the assessing officers shall apply those values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

6. **Validity of this Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

7. **Revision of the value determined vide this Valuation Ruling:** A revision petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.



8. The Collectors of Customs may kindly ensure that the values given in the Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed with respect to PCT may kindly be brought to the notice of Directorate General immediately.
9. *This Ruling supersedes Valuation Ruling No.554/2013, dated 10-05-2013 and Corrigendum dated 04-06-2013.*


(**Suraiya Ahmed Butt**)
Director

Copy for information to :-

1. S.A. to Chairman, F.B.R., Islamabad.
2. Member (Customs), F.B.R., Islamabad.
3. Director General, Customs Valuation, Custom House, Karachi.
4. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
5. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
6. Chief Collector of Customs (Central), Lahore.
7. Chief Collector of Customs (North), Islamabad.
8. Director General, Intelligence and Investigation, Islamabad.
9. Director General, Post Clearance Audit, Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
12. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
13. Additional Director, Customs Valuation (Camp Office), Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database and deleting the Valuation Ruling No.554/2013, dated 10-05-2013 and Corrigendum dated 04-06-2013 on the date of issue of this ruling.
15. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
17. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
18. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
19. Review Section, Customs Valuation, 7th floor, Custom House, Karachi.
20. Karachi Customs Agents Group, Bohri Road, Karachi.
21. CHO, Customs Valuation, Custom House, Karachi.
22. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st floor, Custom House, Karachi.
23. Guard File.