



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

DETERMINATION OF CUSTOM VALUES OF SELF ADHESIVE TAPE (TRANSPARENT BOPP/OPP) IN JUMBO/LOG ROLL AND SELF ADHESIVE TAPE (TRANSPARENT BOPP/OPP) IN RETAIL PACKING UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 79/2016)

No.Misc/27/2014-II / 7681

Dated: January 11, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Self Adhesive Tape (Transparent BOPP/OPP) in Jumbo/Log Roll and Self Adhesive Tape (Transparent BOPP/OPP) in retail packing are determined as follows :-

2. **Background of the valuation issue:** Customs values of Self Adhesive Tape (Transparent BOPP/OPP) in Jumbo/Log Roll and Self Adhesive Tape (Transparent BOPP/OPP) in retail packing were determined under Section 25A of the Customs Act, 1969 through Valuation Ruling No.727/2015, dated 20-04-2015 and corrigendum cum addendum dated 27-04-2015. All Pakistan Self Adhesive Tape Manufacturer Association and some importers filed Revision Applications under Section 25D of the Customs Act, 1969, before Director General of Customs Valuation, Karachi. The Director General agreeing with the petitioners that prices in international market have gone down in recent months, remanded the case back for redetermination of customs values of the subject items.

3. All Pakistan Self Adhesive Tape Manufacturers Association, Karachi also approached the FBR and the Board forwarded their representation for consideration/comments to this Directorate General. Meanwhile All Pakistan Self Adhesive Tape Manufacturers Association, M/s. A. J. Container and M/s. Osaka Electrical & Industrial Company (importers of Jumbo Rolls and Log Rolls Self Adhesive tape) submitted a joint agreement dated 07-10-2015, duly signed by All Pakistan Self Adhesive Tape Manufacturers Association recommending therein that tare weight of 02% on account of essential packing for jumbo rolls of self adhesive BOPP/OPP tape and 07% on account of essential packing for self adhesive BOPP/OPP tape/stationery tape in log rolls be allowed.. Therefore, this Directorate General initiated an exercise for determination of customs values of Self Adhesive Tape (Transparent BOPP/OPP) in Jumbo/Log Roll and Self Adhesive Tape (Transparent BOPP/OPP) in retail packing.

4. **Stakeholders' participation in determination of Customs values:** The exercise for redetermination was initiated and stakeholders were requested several times to furnish documents, evidence or record in support of their contentions. In spite of three reminders, the requisite record / documents were not provided. Consequently a stakeholder meeting was scheduled on 05-01-2015. It was attended by member of KCCI and other stakeholders including All Pakistan Self Adhesive Tape Manufacturers Association. During the meeting, all aspects regarding value addition and tare weight calculations were discussed in detail. As for as



allowance on account of paper board spool in the log rolls is concerned, some of the participants proposed that 7% allowance would be appropriate. This in backdrop of 2% allowance for calculation of Customs values of Jumbo rolls from the raw material is justified. During the stakeholder meeting, it was also discussed that 20% tare allowance is admissible on retail packing of the subject items.

5. It was agitated by the participants that different interpretations of allowance on account of tare weight is being made at different clearance formations. They were of the opinion that customs values shall be so notified that where all types of allowances and values additions have duly been accounted for. The aspects of value addition on account of conversions from Jumbo Roll to Log Roll and from Log Roll to Retail Packing were considered at length. At the same time the effect of spool (paper board / plastic), which is comparatively a low value ingredient than the adhesive tape, was also carefully scrutinized and accounted for.

6. **Method adopted to determine Customs values:** After detailed deliberations, valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs values of Self Adhesive Tape (Transparent BOPP/OPP) in Jumbo/Log Roll and Self Adhesive Tape (Transparent BOPP/OPP) in retail packing. Transaction value method provided in Section 25 (1) was found inapplicable due to different grades and non-availability of resources to verify the declared specifications. Identical/similar goods value Methods provided in Section 25 (5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied upon due to wide variety in the material and absence of authentic sources. Secondly, in presence of Valuation Ruling declarations of importers were in accordance with the existing Valuation Ruling. Thereafter, market enquiry as envisaged under Section 25 (7) of the Customs Act, 1969 was conducted. There were significant differences in the market values of different brands, on the one hand and prices also varied from one market to the other. Computed Value Method as provided in Section 25 (8) could not be applied for valuation of the aforementioned goods as the cost of raw materials and conversion charges under clause (a) and amount of profit and general expenses under clause (b) of Section 25 (8) of the Act, in the country of export, could not be ascertained. Online values of the subject item were also examined. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of Self Adhesive Tape (Transparent BOPP/OPP) in Jumbo/Log Roll and Self Adhesive Tape (Transparent BOPP/OPP) in retail packing have been determined under Section 25 (9) of the Customs Act, 1969.

7. **Customs values for Self Adhesive Tape (Transparent BOPP/OPP) in Jumbo/Log Roll and Self Adhesive Tape (Transparent BOPP/OPP) in retail packing:** Customs values of Self Adhesive Tape (Transparent BOPP/OPP) in Jumbo/Log Roll and Self Adhesive Tape (Transparent BOPP/OPP) in retail packing *hereinafter specified* are determined as under :



S. No	Description of goods	PCT Heading	Propose PCT for WeBOC	Origin	Customs Value (C&F) USS/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Self Adhesive (Transparent BOPP/OPP) Tape-Width exceeding 20cm- (Jumbo Rolls)	3919.9010 3919.9090	3919.9010.1000	China/	1.60
			3919.9090.1000	Malaysia	
			3919.9010.1100	Korea/UAE/	1.68
			3919.9090.1100	Taiwan	
			3919.9010.1200	Europe &	2.08
			3919.9090.1200	USA	
			3919.9010.1300	All other	1.70
			3919.9090.1300	origins	
2.	Self Adhesive (Transparent BOPP/OPP) Tape-Width exceeding 20cm-(Log Rolls)	3919.9010 3919.9090	3919.9010.1400	China/	1.65
			3919.9090.1400	Malaysia	
			3919.9010.1500	Korea/UAE/	1.73
			3919.9090.1500	Taiwan	
			3919.9010.1600	Europe &	2.14
			3919.9090.1600	USA	
			3919.9010.1700	All other	1.75
			3919.9090.1700	origins	
3.	Self Adhesive (Transparent BOPP/OPP) Tape-Width not exceeding 20cm- in retail packing with paperboard spool.	3919.1090	3919.1090.1000	China/	1.68
			3919.1090.1100	Malaysia	
			3919.1090.1200	Korea/UAE/	1.76
			3919.1090.1300	Taiwan	
			3919.1090.1400	Europe &	2.18
			3919.1090.1500	USA	
			3919.1090.1600	All other	1.79
			3919.1090.1700	origins	
4.	Self Adhesive (Transparent BOPP/OPP) Tape-Width not exceeding 20cm- in retail packing with plastic spool.	3919.1090	3919.1090.1400	China/	1.72
			3919.1090.1500	Malaysia	
			3919.1090.1600	Korea/UAE/	1.80
			3919.1090.1700	Taiwan	
5.	Self Adhesive Tape (Transparent BOPP/OPP) "Scotch"	3919.1030	3919.1030.1000	Europe &	2.24
			3919.1030.1100	USA	
			3919.1030.1000	All other	1.85
			3919.1030.1000	origins	
			3919.1030.1000	China/	5.4
			3919.1030.1000	Malaysia	
			3919.1030.1100	Korea/UAE/	5.6



	brand-Width not exceeding 20-cm in retail packing		Taiwan	
		3919.1030.1200	Europe & USA	7.0
		3919.1030.1300	All other origins	5.8
6	The Customs Values as specified in the Column (6) have been determined after duly accounting for the aspects of tare weights regarding spools / wrappings etc. At assessment stage no further allowance is admissible on any account including tare weight. Assessment shall be made on total weight of consignment and on values notified in the table.			

8. In cases where declared/ transaction values are higher than the Customs values 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.

9. **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 (4) of Section 25-A of the Customs Act, 1969.

10. **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 of this ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

11. 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 may kindly be brought to the notice of Directorate General immediately.

12. *This Valuation Ruling supersedes Valuation Ruling No.727/2015, dated 20-04-2015 and corrigendum cum addendum dated 27-04-2015.*


(Manzoor Hussain Memon)
Director

Copy for information to: -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisal), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.