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GOVERNMENT OF PAKISTAN
COLLECTORATE OF CUSTOMS (APPRAISEMENT)
CUSTOM HOUSE KARACHI

No.SI/Misc/ 964/2004-VIII (V)

Dated: 31/05/2007

PUBLIC NOTICE NO 16/2007(A)

SUBJECT: PROCEDURE FOR RELEASE / ENCASHMENT OF PAY ORDERS SECURED ON ACCOUNT OF CAPITAL VALUE TAX (CVT) LEVIABLE ON IMPORTED VEHICLES.

In order to facilitate the importers / clearing agents for expeditious and timely release of the pay orders secured against leviable Capital Value Tax (CVT) on imported vehicles which are exempt on account of being ultimately registered as public transport vehicle plying for hire in terms of Board's letters C.No.2(14)WT/98 dated 20.05.1999 and 19.11.2001. The following procedure is prescribed:-

- i) The assessing group shall ensure to procure pay orders only for those vehicles which otherwise fall in the prescribed category of exemption and shall forward the duly completed files to Bank Guarantee Cell for detachment, safe custody and subsequent release / encashment.
- ii) On receipt of files, the receiving clerk in the Bank Guarantee Cell will properly record the particulars of the pay order in a register as well as in the computer system, indicating cash number & date of the GD, maturity date and forward the file to designated I.O. for detachment and safe custody of the pay order.
- iii) For getting release of the CVT pay order, the concerned clearing agent shall submit within sixty days of the clearance of the vehicle, an application to the Bank Guarantee Cell, alongwith original as well as attested copy of requisite proof of registration viz registration book or provisional registration and the fee payment challan confirming commercial status of the allotted registration number. In case the clearing agent opts to get release of the pay order prior to verification of the registration confirmation, from the concerned Motor Registration Authority, he shall also submit a personal Undertaking (Annex-A) on a stamp paper binding himself for the authenticity of the submitted documents and such order shall be passed by the AC/DC Incharge. The signatures of the clearing agent on the aforesaid undertaking shall duly be attested by the Karachi Customs Agents Association (KCAA). The case for which the clearing agent does not submit undertaking, the pay order shall be released after getting the verification of the registration certificate from the concerned Motor Registration Authority.

P.T.O

- iv) Each application shall be allotted a specific S.No. by the receiving clerk and the designated E.O. / A.O. shall scrutinize/process the same and if satisfied, forward it to the Assistant / Deputy Collector of the Group for allowing release of the pay order in cases which are supported with the clearing agent's undertaking, whereas for other cases, the E.O. / A.O shall immediately issue the verification letter to the concerned Motor Registration Authority for confirmation/verification of the genuineness of the documents bearing date, number and status of registration. On receipt of aforesaid verification, the E.O. shall enter the particulars of verification in a register as well as in the computer system and shall forward the file to the Principal Appraiser, B.G. Cell who will allow release of the pay order.
- v) The pay order will be removed from safe custody under proper requisition slip duly signed by the E.O. / A.O. and will be cancelled by the Principal Appraiser before handing over the same to the authorized clearing agent / person. The E.O. / A.O. and P.A. shall make endorsement of release of CVT on original registration documents while retaining a photocopy of the same for record.
- vi) The E.O. / A.O. having safe custody of the pay orders and Principal Appraiser, B.G. Cell shall ensure encashment of the pay orders within one month after the expiry of sixty (60) days from the cash date of the relevant GD and shall be jointly held responsible for any failure on the above account.


(M. N. R. QURESHI)
Collector

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All concerned.