



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

DETERMINATION OF CUSTOMS VALUES OF PHOTOCOPIER
MACHINE/MFP/A3(H.S.CODE NO. 8443.3100 & 8443.3910) UNDER SECTION
25-A OF THE CUSTOMS ACT, 1969.

(VALUATION RULING NO. 720/ 2015)

No. Misc/01/2015-VII

Dated: February 17, 2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Photocopier Machines are determined as follows: -

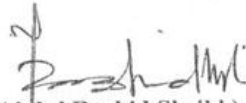
- 1. Background of the valuation issue:** It was brought to the notice of the Directorate General that Photocopier Machines are being imported at under invoiced values, causing loss of revenue to Government exchequer. Authorized distributors of some well known brands agitated that certain unscrupulous elements are involved in under invoicing and hurting their business. Therefore, an exercise to determine the customs values of the subject goods under section 25A was initiated.
- 2. Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were applied sequentially to address the valuation issue at hand. Transaction Value Method under Sub-Section (1) of Section 25 of the Act ibid was found inapplicable because required information under the law was not available. Identical and Similar Goods valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variations in the declarations the same could not be relied upon exclusively. In the sequential order this office then resorted to conduct a market inquiry in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. Input and feedback by the participants during the stakeholder meeting was also considered. All the available information was analyzed and evaluated. Keeping all the above in view, Customs values of photocopiers are, determined under Sub section (9) of Section 25 of the Customs Act, 1969.
- 3. Stakeholders' participation in determination of Customs values:** Meeting was held with the stakeholders on 12-02-2015. Differences in prices on account of origin were discussed in detail; it was brought to the notice of the Department that majority imports are from China and there are no significant differences on

account of origin, and for argument sake, if there are any imports from other origin, like Europe it will be higher than the Chinese origin copiers. In the same way brand-wise variation in value was also discussed threadbare. It was acknowledged that brand-wise variation in prices do exist but if the proposed criteria is implemented, the inter brand difference are not so significant as to adversely affect the genuine trade and that it would definitely curb the under-invoicing phenomenon.

4. **Customs values for Photocopier Machine :** Photocopier Machines MFP/A3 hereinafter specified shall be assessed to duty/ taxes at the following Customs values :-

S No	Description of goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$ per CPM
(1)	(2)	(3)	(4)	(5)	(6)
01.	Photocopier Machine 16 – 23 copy per minute	8443.3100 8443.3910	8443.3100.1000 8443.3910.1000	All origins	US\$ 20/CPM
02.	Photocopier Machine 24 – 29 copy per minute	8443.3100 8443.3910	8443.3100.1100 8443.3910.1100	All origins	US\$ 30/CPM
03.	Photocopier Machine 30 – 36 copy per minute	8443.3100 8443.3910	8443.3100.1200 8443.3910.1200	All origins	US\$ 40/CPM
04.	Photocopier Machine 37 – 49 copy per minute	8443.3100 8443.3910	8443.3100.1300 8443.3910.1300	All origins	US\$ 50/CPM
05.	Photocopier Machine 50 – 60 copy per minute	8443.3100 8443.3910	8443.3100.1400 8443.3910.1400	All origins	US\$ 60/CPM
06.	Photocopier Machine 61 – 85 copy per minute	8443.3100 8443.3910	8443.3100.1500 8443.3910.1500	All origins	US\$ 70/CPM
07.	Photocopier Machine 86 & above copy per minute	8443.3100 8443.3910	8443.3100.1600 8443.3910.1600	All origins	US\$ 80/CPM

5. 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.
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 (4) 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 may kindly be brought to the notice of Directorate General immediately for redressal.


(Abdul Rashid Sheikh)
Director

Copy for information to :-
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1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), 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, Islamabad.
8. Director, Post Clearance Audit, Karachi / Islamabad.
9. Director Internal Audit, (Customs), Karachi / Islamabad / Lahore
10. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
11. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
12. Director, Customs Valuation, Custom House, Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database.