

The Collectors of Customs, Collectorate of Customs, (Appraisalment - East / West/ Port Muhammad Bin Qasim / Enforcement/ JIAP), Karachi/ Hyderabad (Appraisalment/ Enforcement), Quetta/ Gawadar/ (Appraisalment/ Enforcement/ AIIA) /Lahore/ Appraisalment, Faisalabad/ Appraisalment, Smbrial (Sialkot)/ Enforcement, Multan/ Islamabad/ Gilgit-Baltistan / Export ((Appraisalment/ Enforcement), Peshawar/ Enforcement, Dera Ismail Khan

DETERMINATION OF CUSTOMS VALUE OF PLAYING CARDS UNDER
SECTION 25A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO ¹⁵⁷³ /2021)

C. No. Misc/02/2021/IX/1985.

Dated: 29-11-2021

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the custom value of Playing Cards is determined as follows:

2. **Background of the valuation issue:** The Directorate General while conducting exercise in identifying tariff-lines prone to under-invoicing received from FBR letter No. 1038/KHI/CUS/2021 dated 23-09-2021 along with re-presentation of M/s A.M Corporation the playing cards of various materials were being cleared at lower values. Representation were also received from Collectorate of Customs Appraisalment (East) vide letter No. SI/MISC/75/KAPE/2021-VIII dated 06-10-2021 regarding the same issue. Due to lack of uniformity of assessments at different Collectorates, this Directorate General was requested to determine its customs value under Section 25A of the Customs Act, 1969. An exercise was initiated in this Directorate General to determine customs values of subject goods in terms of Section 25A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meetings with all stakeholders, trade bodies including representatives of clearance Collectorates were held in this Directorate General on 10-11-2021. The importers/stakeholders were requested to submit their proposals/suggestions as well as following documents before or during the course of stakeholders' meeting so that Customs value could be determined:

- i. Invoices of import during last three months showing factual values
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iv. Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

4. The meeting was attended by stakeholders and their points of view were heard in detail to arrive at custom values of subject goods. None of the importers submitted any documents required in support of their contention. M/s S.K & Company stressed that custom



values may be fixed by keeping in view the element of freight, import prices of raw materials and the values prevailing in the local and international market.

5. Methods Adopted to Determine Customs Values: Valuation methods provided in Section 25 of the Customs Act, 1969, were duly applied in their regular sequential order to arrive at customs value of subject goods. The Transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable because no substantial documents were provided by the stakeholders to prove that their declared values were true transactional values. Moreover, different values were declared by different importers for same product according to different origins. Identical/similar goods value methods provided in Sections 25 (5) & (6) *ibid* were examined for applicability to determine customs values of subject goods. The data provided some references; however, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidence of qualities and quantities of commercial level etc. Information available was, hence, found inappropriate. In line with statutory sequential order of section 25, this office conducted market inquiries using deductive value methods under sub-section (7) of Section 25 of the Customs Act, 1969, item was not readily available in the market, therefore, this method of valuation could not be relied upon due to aforesaid reasons. Valuation method vide Section 25(8) of the Customs Act, 1969, was examined for valuation but the same also could not be applied due to non availability of conversion and processing cost of exporting country. Finally, clearance data, raw material prices, international prices through internet were examined thoroughly and the information so gathered were utilized and analyzed for determination of Custom Values of Playing Cards under Section 25(9) of the Customs Act, 1969.

6. Customs values for Playing Card - 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 Code	Proposed PCT for WeBOC	Origin	Customs Value (C&F) US \$ /deck of 54 cards
(1)	(2)	(3)	(4)	(5)	(6)
1	Playing Card (Made of Paper)	9504.4000	9504.4000.1000	China/ Taiwan	0.16
			9504.4000.1100	USA	0.20
2	Playing Card (Made of Paper with Plastic Coating)		9504.4000.1200	China/ Taiwan	0.20
			9504.4000.1300	USA	0.24
3	Playing Card (Made of Plastic)		9504.4000.1400	China/ Taiwan	0.50
			9504.4000.1500	USA	0.60

7. In cases where declared/transaction values are higher than the customs values determined in this Ruling or higher evidential data is available of stipulated period 90 days, the assessing officers shall apply those values in terms of sub-Section (1) of Section 25 of the Customs Act, 1969, and the same may be communicated to this Directorate General forthwith. In case of consignment imported by air, the assessing officer shall take into account the difference between air freight and sea freight while applying the customs values determined in this Ruling.

