



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



C-249/KAPE/PCT/2022

Dated: 23.02.2023

PUBLIC NOTICE NO. 04/2023

SUBJECT: **CLASSIFICATION OF "PRINTED MATTER/DOCUMENTS, PERSONAL LETTERS/CERTIFICATES/FORMS/DEGREES/THESIS OF STUDENT ETC (4901 & 4911) IMPORTED THROUGH COURIER COMPANIES (DHL)".**

The Collectorate of Customs, Islamabad vide letter C.No.SI/Imp/Cont-127/2018 dated 27.12.2021 forwarded a reference for classification of 'Printed Matter/Documents, Personal Letters/Certificates/ Forms/Degrees/Theses of Student, etc'. Brief facts of the case as reported by the referring Collectorate are that Audit Authorities vide DP-3331 for the period 2014-15 observed that M/s DHL Pakistan (Pvt) Limited imported consignments of 'other printed materials' through their courier companies and got cleared the same under PCT heading 4911.9900 without payment of sales tax, availing exemption of S.No.32 of the Sixth Schedule to the Sales tax Act, 1990, whereas the goods were classifiable under PCT heading 4901.9990, attracting CD @10% with no exemption of sales tax. In the light of draft paras demand notices were issued and thereafter cases were adjudicated in favour of the department. The importer being aggrieved filed appeal before the learned Customs Appellate Tribunal, Islamabad. The learned Customs Appellate Tribunal, Islamabad directed the collectorate to refer the matter to Classification Centre for seeking guidance whether the subject items fall under PCT heading 4901 or 4911. Accordingly, this reference was forwarded to Classification Centre.

2. Several hearings in the case were held and lastly on 17.02.2023. The meetings were attended by representatives of Collectorate of Customs, Islamabad and members of the Classification Committee. The departmental representative reiterated the stance of the Collectorate/audit authorities that the under reference subject goods were correctly classified under PCT heading 4901.9990. On the other side, the representatives of the importer contended that their declared PCT heading was correct as the same covered printed matters, in terms of GIR Rule 3.

3. The Classification Committee observed that neither samples nor exact descriptions of the under reference goods were made available. The Committee further observed that the description 'printed matter/documents' was too vague to decipher as to what types of

33779-R
FBR o-Box No. 33779-R
Received in M (PR) Office on 01/03/2023
C(PR)
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Ms. Zeb Gul Shabbir
Chief (Public Relations)
webmaster

goods it referred to. However, the Committee noted that reportedly various types of goods were imported and cleared spreading in period of five years vide approximately 286 consignments, inter-alia comprising of forms, certificates, degrees, theses, visa application forms, personal letters, embassy documents, and such other documents. The Classification Committee observed that the issue primarily and mainly related to the exemption of sales tax in terms of S.No.32 of the Table-1 of the Sixth Schedule to the Sales Tax Act, 1990, which the Federal Board of Revenue vide letter C.No.3(10)ST-L&P/2012-172746 dated 19.12.2014 clarified that “*exemption from payment of sales tax is admissible on the basis of description mentioned in column 2 of the Sixth Schedule to the Sales Tax Act, 1990 and not on the PCT headings given in column 3 which has been provided for ease of reference and commodity classification purposes only. This can be observed from Note 1 to the Sixth Schedule to the Sales Tax Act, 1969. It is, therefore, clarified that sales tax @17% is chargeable on the import and supply of degrees, certificates, forms, theses of students, personal letters and other such items which do not find their names in the description of goods mentioned against Sr. No.362 of Table-1 of the Sixth Schedule to the Sales Tax Act, 1969*”. However, the Committee decided to proceed to determine appropriate classifications of under reference goods and/or likewise similar such goods. Accordingly, the Classification Committee considered the arguments/stance of both sides and perused the relevant provisions of law dealing with the HS classification. Classification of any imported goods under Pakistan Customs Tariff is determined under the General Rules for the Interpretation (GIR) of First Schedule to the Customs Act, 1969. The Committee considered the PCT headings relied upon by the importer, the audit authorities and other relevant Pakistan Customs Tariff Codes as detailed hereunder:

49.01	<i>Printed books, brochures, leaflets and similar printed matter whether or not in single sheets.</i>
4901.1000	- In single sheets, whether or not folded
	- Other:
4901.9100	- - Dictionaries and encyclopaedias, and serial instalments thereof
	- - Other:
4901.9910	- - - Holy Quran (Arabic text with or without translation)
4901.9990	- - - Other
 4906.0000	 <i>Plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, being originals drawn by hand; hand-written texts; photographic reproductions on sensitised paper and carbon copies of the foregoing.</i>
 49.09	 <i>Printed or illustrated postcards; printed cards bearing personal greetings, messages or announcement, whether or not illustrated, with or without envelope or trimmings.</i>

49.11	<i>Other printed matter, including printed pictures and photographs.</i>
4911.1000	- Trade advertising material, commercial catalogues and the like
	- Other:
4911.9100	- - Pictures, designs and photographs
4911.9900	- - Other

4. The Classification Committee considered Explanatory Note to HS Code 49.01 which is reproduced as under:

"This heading covers virtually all publications and printed reading matter, illustrated or not, with the exception of publicity matter and products more specifically covered by other headings of the Chapter (particularly headings 49.02, 49.03 or 49.04). It includes :

(A) Books and booklet...

(B) Brochures, pamphlets and leaflets.....

This group excludes printed cards bearing personal greetings, messages or announcements (heading 49.09), and printed forms which require the insertion of certain additional information for completion (heading 49.11). "

5. The Classification Committee observed that as per Explanatory Notes publications and printed reading matter are covered under HS Code 49.01. These include printed books, brochures, pamphlets, leaflets and similar printed matter whether or not in single sheets. They include literary works of all kinds, text-books, technical publications, books of reference such as dictionaries, encyclopaedias and directories like telephone directories, yellow pages, catalogues for museums and public libraries, liturgical books such as prayer books, shorter scientific theses and monographs, instruction notices, etc., issued by government departments or other bodies, tracts, hymn sheets, textual matter in the form of sheets for binding in loose-leaf binders, etc.

6. The Classification Committee also considered relevant Explanatory Notes to HS Code 49.06 which are reproduced as under:

*"It should be noted that such products fall in the heading **only** if consisting of originals drawn or written by hand, or of photographic reproductions on sensitised paper or of carbon copies of such originals.*

Hand-written texts (including shorthand but **not including** music), and also their carbon copies or photographic reproductions on sensitised paper of such texts, are also included in this heading whether bound or not."

7. The Classification Committee also perused HS Cross Ruling NY 879419 dated Oct 23, 1992, whereby hand-written letters and addressed envelopes were classified under HS Code 49.06.

8. The Classification Committee also considered relevant Explanatory Notes to HS Code 49.07 which are reproduced as under:

"The characteristic of the products of this heading is that on being issued (if necessary, after completion and validation) by the appropriate authority, they have a fiduciary value in excess of the intrinsic value.

These products comprise :

4911. Printed stamps

They include :

(B) Stamped envelopes, letter cards, postcards, etc., bearing uncanceled prints or impressions of postage stamps of the kind described above and of current or new issue in the country in which they have, or will have, a travelers face value, or with "reply paid" postal marking.

(C) Other stamp-impressed paper such as official forms, blank forms (e.g., for legal documents subject to revenue stamp duties), printed or embossed with revenue stamps.

(D) Banknotes.....

(E) Cheque forms are stamped or unstamped blank cheque forms, frequently found in paper covers, in booklet form, and issued by banks, including Post Office banks in some countries, for use by their customers.

(F) Stock, share or bond certificates and similar documents of title. These are formal documents issued, or for issue, by public or private bodies conferring ownership of, or entitlement to, certain financial interests, goods or benefits named therein. Apart from the certificates mentioned, these documents include letters of credit, bills of exchange, travelers' cheques, bills of lading, title deeds and dividend coupons. They usually require completion and validation.

Banknotes, cheque forms, and stock, etc., certificates are generally printed on special paper bearing special watermarkings or other marks, and are usually serially numbered. Lottery tickets printed on special security paper and serially numbered are, however, **excluded** from this heading and are generally classified in **heading 49.11**.

Products of the kinds described fall in this heading when in quantity as a commercial transaction, usually by the issuing authority, whether or not the documents (e.g., share certificates) require completion and validation."

9. The Classification Committee also considered relevant Explanatory Notes to HS Code 49.09 which are reproduced as under:

"This heading covers:

(i) *Printed or illustrated post card regardless of whether they are for private, commercial or advertising purposes, and*

(ii) **Printed cards bearing personal greetings, messages or announcements for any occasions.** Such printed cards maybe illustrated or not and maybe with or without envelopes or trimmings.

These products comprise particularly:



- (1) Picture postcards,.....
 (2) Christmas, New Year, birthday or similar cards.....”

10. The Classification Committee also considered relevant Explanatory Notes to HS Code 49.11 which are reproduced as under:

“This heading covers all printed matters (including photograph and printed pictures) of this chapter (see the general Explanatory Note above) but not more particularly covered by any of the proceeding heading of the chapter.

.....

*Certain printed articles may be intended for completion in manuscript or typescript at the time of use but remain in this heading **provided** they are essentially printed matter (see Note 12 to Chapter 48). Thus, printed forms (e.g., magazine subscription forms), blank multi-coupon travel (e.g., air, rail and coach) tickets, circular letters, identity documents and cards and other articles printed with messages, notices, etc., requiring only the insertion of particulars (e.g., dates and names) are classified in this heading. Stock, share or bond certificates and similar documents of title and cheque forms, which also require completion and validation are, however, classified in heading 49.07.”*

11. In the light of aforementioned facts and laws, the Classification Committee is of the view that in terms of Rule I of the General Rules of Interpretation, the under reference goods and the like are classifiable as under:

Description of imported goods	PCT Heading
<i>Printed brochures, pamphlets and leaflets, literary works, text-books, telephone directories, yellow pages, catalogues for museums and public libraries, technical publications, shorter scientific theses published by or for industrial firms and monographs, instruction notices, etc., issued by government departments or other bodies.</i>	4901.1000 4901.9990
<i>Hand-written texts and letters</i>	4906.0000
<i>Printed Cheque forms, stock, share or bond certificates and similar documents of title.</i>	4907.0090
<i>Cards bearing personal greetings, messages or announcements</i>	4909.0000
<i>Publications essentially devoted to advertising like brochures, pamphlets, leaflets, trade catalogues, year books published by trade associations, tourist propaganda, etc.</i>	4911.1000
<i>University advertising brochures and prospectuses</i>	4911.1000
<i>Printed forms (e.g., magazine subscription forms), blank multi-coupon travel (e.g., air, rail and coach) tickets, circular letters, identity documents and cards and other articles printed with messages, notices, etc., requiring only the insertion of particulars (e.g., dates and names).</i>	4911.9900
<i>Printed Certificates, Forms, Degrees, Visa Application Forms, etc., requiring only the insertion of particulars.</i>	4911.9900

12. The above classification determination is specific to the product whose details/ specifications have been given above. Further, the ruling is based on the documents and information provided by the referring Collectorate/importer and shall be treated as annulled if it


is found at any subsequent stage that the same was obtained by providing incorrect, false, misleading or incomplete information.

13. This Public Notice is issued in terms of Chapter-II (Classification) of CGO 12/2002 dated 15.06.2002.


(Mushtaq Ali Shahani)
Additional Collector of Customs/
Chairman Classification Committee

Copy for information to:

1. The Member Customs (Policy / Operations), Federal Board of Revenue, Islamabad.
2. The Member (Customs Legal & Accounting), Federal Board of Revenue, Islamabad.
3. The Member (FATE), Federal Board of Revenue, Islamabad with the request to publish this ruling on FBR website.
4. The Chief Collector of Customs (Appraisalment) South, Custom House, Karachi.
5. The Chief Collector of Customs (Enforcement) South, Custom House, Karachi.
6. The Chief Collector of Customs (Appraisalment) Central, Custom House, Lahore.
7. The Chief Collector of Customs (Enforcement) Central, Custom House, Lahore.
8. The Chief Collector of Customs (North), Custom House, Islamabad.
9. The Chief Collector of Customs (Balochistan), Custom House, Quetta.
10. The Collectorate of Customs, Appraisalment (East/West/PMBQ), Karachi.
11. The Director, Reforms and Automation (R&A), Custom House, Karachi with the request to incorporate this ruling in WeBoC.
12. The Project Director, WeBoCGlo, Custom House, Karachi for necessary action.
13. The Collectorate of Customs, Islamabad.
14. The Registrar, Appellate Tribunal, Islamabad.
15. M/s DHL Pakistan (Pvt) Limited.
16. The Federation of Pakistan Chambers of Commerce and Industry, Karachi.
17. The Karachi Chamber of Commerce & Industry, Karachi.
18. The Karachi Customs Agents Association, Karachi.
19. Notice Board.


(Mushtaq Ali Shahani)
Additional Collector of Customs/
Chairman Classification Committee

