

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/ Exports (Karachi/Port Qasim)/Directorate of Transit Trade, Karachi.

Determination of Customs Values of Toner Powder Black/Coloured in Bulk for
Photocopiers and Printers under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. ¹³⁶⁹ /2019)

No.Misc/05/2017-II

11987

Dated: May 6, 2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Toner Powder Black/Coloured in Bulk for Photocopier and Printers are determined as follows:

2. **Background of the valuation issue:** Earlier the Customs values of Toner Powder Black for Photocopier and Printer in Bulk, Branded/Un-Branded were determined vide Valuation Ruling No. 1114/2017, dated 29-03-2017. There were several representations from the stakeholders wherein they contended that the Valuation Ruling needs to be revised in accordance with the price trend in the international markets. Moreover, it was pointed out that the toner powder does not have any international brand name and instead, the packing shows the models/ names of printers wherein the same can be used. It was suggested that Serial No. 1 of the existing VR is basically for cartridges of chapter 84 of Pakistan Custom Tariff, which are mostly costlier than the values given in the VR and there were chances of mis-declaration of classification. Keeping in view the prevailing prices of the subject goods, this Directorate General initiated an exercise for the re-determination of the Customs Values of the subject goods in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Several meetings with stakeholders, including importers, and representatives from field formations were held in this Directorate General of Customs Valuation. The stakeholders were requested to furnish the following documents before or during the course of above said meetings:

- i. Invoices of imports during last three months showing factual value.
- 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 their contentions.


4. The meetings were attended by different stakeholders including importers, representatives of clearance collectorates, FPCC&I and KCC&I. The importers stated that the prices of the subject goods have shown downward trend internationally. The existing ruling is almost three years old and therefore needs to be rationalized as per the international market trend. They further contended that they were importing toner powder in bulk without any brand



name, while the Collectorates are assessing at value of branded toner powder. Some of the importers submitted the requisite documents in support of their contentions. The view point of all participants was heard in detail and considered to arrive at the customs value of subject goods.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969, were followed to arrive at customs value of Toner Powder Black/Coloured in Bulk for Photocopier and Printers. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variations in the values being declared to the customs and incomplete descriptions. Moreover, no participant submitted substantial document, which would have helped in arriving at the true transaction value. 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 references but the same could not be exclusively relied on. The market enquiry as envisaged under Section 25 (7) of the Customs Act, 1969, could not be exclusively relied either. Online prices were also obtained to corroborate the findings of the market surveys. Computed Value Method as provided in Section 25 (8) could not be applied for valuation of the aforementioned goods as the cost of raw material and general expenses in the country of export, could not be ascertained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values of Toner Powder Black/Coloured for Photocopier and Printer. Consequently, the Customs values of Toner Powder Black/Coloured in bulk for Photocopier and Printers have been determined under Section 25 (9) of the Customs Act, 1969.

6. **Customs values for Toner Powder Black/Coloured in Bulk for Photocopier and Printers:** Toner Powder Black/Coloured in Bulk for Photocopier and Printers *hereinafter specified* shall be assessed to duty/taxes at the following Customs:



S.No.	Description of Goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Value (C&F) US\$/Kg
1.	Toner Powder Black for Photocopier and Printer (in Bulk)	3709.9000	3707.9000.1000	China	3.15
			3707.9000.1100	Taiwan/Malaysia	3.60
			3707.9000.1200	Other Origins	4.50
2.	Toner Powder Coloured for Photocopier and Printer (in Bulk)	3709.9000	3707.9000.1300	China	5.10
			3707.9000.1400	Taiwan/Malaysia	6.00
			3707.9000.1500	Other Origins	7.90

7. 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 and the same may be communicated to this


Directorate General forthwith. In case of consignments imported by air, the assessing officer shall take into account the element of air freight while assessing the goods.

8. **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 (3) of Section 25-A of the Customs Act, 1969.

9. **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:

10. The Collectors of Customs may kindly ensure that the values given in this Valuation 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 this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in the table to this Valuation Ruling. HS Codes are mentioned for illustrative purposes so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

10. *This Valuation Ruling supersedes the Valuation Ruling No. 1114/2017, dated 29-03-2017.*



(Shafique Ahmad Latifi)

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 (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-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.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading In WeBOC database system and deleting *Valuation Ruling No. 1114/2017, dated 29-03-2017*.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.

15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement (East/West), Custom House, Karachi.
21. Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR website and deleting *Valuation Ruling, No. 1114/2017, dated 29-03-2017*.
22. Guard File.