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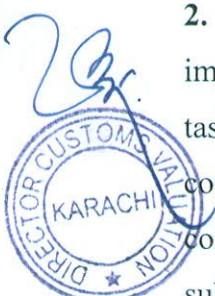
DETERMINATION OF CUSTOMS VALUES OF OLD AND USED COMPUTER SYSTEM, LAPTOPS, PRINTERS AND ITS AUXILIARIES & ACCESSORIES OF ALL ORIGINS UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969.

(VALUATION RULING NO 1519/2021)

No.V.Khi/13/used/25A/VII/ 1154

Dated: 01 -03-2021

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of old and used computer system, laptops, printers and it's auxiliaries & accessories of all origins are determined as follows:



2. Background of the valuation issue: After conducting detailed analysis of Pakistan's imports for the year 2019-20, the Directorate General of Customs Valuation, Karachi, was tasked by FBR to identify the items / goods where variations w.r.t. values in exporting countries viz-a-viz import values in Pakistan were observed. Accordingly, a special team was constituted in Directorate General of Customs Valuation, Karachi, which identified the subject items as prone to under-invoicing as vast variations in declarations were observed. Accordingly, an exercise was initiated to determine the customs values of **old and used computer system, laptops, printers and its auxiliaries & accessories of all origins** under Section 25-A of the Customs Act, 1969.

3. Stakeholders' participation in determination of Customs values: Meeting with all stakeholders, trade bodies including representatives of clearance Collectorates were held in this Directorate General on 11-11-2020 and 17-11-2020. 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 values 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 importers and stakeholders and their points of view were heard in detail to arrive at custom values of subject goods. The stakeholders claimed that their declared values were true transactional values and may be accepted as such. M/s Gulzar Enterprises submitted proposal of old and used computer system, laptops, printers and its auxiliaries & accessories which were considered along with import data and trends in market to arrive at customs value of said goods. However, they failed to substantiate the said claim through documentary evidences.

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 but due to wide variations in declaration, variety and specification could not be relied upon exclusively. The valuation method under Section 25(7) provided some glimpse but without any conclusive evidence. For the purpose the computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be applied as the conversion cost from constituent material at the country of export were not available. Online values of subject items were also obtained. All the information so gathered was evaluated and analyzed for the determination of custom values. Consequently, the custom values of old and used computer system, laptops, printers and its auxiliaries & accessories have been determined under sub-section (9) of Section 25 of the Customs Act, 1969.

6. **Customs values for old and used computer system, laptops, printers and its auxiliaries & accessories of all origins** hereinafter specified shall be assessed to duty/taxes on the following minimum customs values given against them in the Table below:-

S.No	Description	Specification	PCT	Proposed PCT for WeBOC	Customs Values C& F in US\$
(1)	(2)	(3)	(4)	(5)	(6)
1.	Laptop- Complete	Core 2 Duo	8471.3010	8471.3010.1000	70/- per piece

2.	(Used)	Core i3		8471.3010.1100	100/- per piece
3.		Core i5		8471.3010.1200	125/- per piece
4.		Core i7		8471.3010.1300	150/- per piece

Note:1 If model or specification of laptop (used / refurbished) falls within Valuation Advice of said items dated 12-07-2019 or 14-01-2020 or any other Advice / Ruling, 65% of value of said items as given in Advice / Ruling shall be taken as value of such used / refurbished laptop for customs purpose.

5.	Central Processing Unit (CPU)- Complete (Used)	P-4/ Core 2 Duo	8471.3020	8471.3020.1000	25/- per piece
6.		Core i3		8471.3020.1100	40/- per piece
7.		Core i5		8471.3020.1200	50/- per piece
8.		Core i7		8471.3020.1300	60/- per piece

Note:2 If model or specification of laptop (used / refurbished) falls within Valuation Advice of said items dated 12-07-2019 or 14-01-2020 or any other Advice / Ruling, 65% of value of said items as given in Advice / Ruling shall be taken as value of such used / refurbished laptop for customs purpose.

9.	LCD/ LED Monitor (Used)	All sizes	8528.5200	8528.5200.1000	2.16/- per inch
10.	Random Access Memory (RAM) (Used)	All Types	8471.3090	8471.3090.1000	2/- per piece
11.	CD/ DVD ROM Drive and Writer (Used)	All Types	8471.7040 8471.7050 8471.8010	8471.7040.1000 8471.7050.1000 8471.8010.1000	2.50/- per piece
12.	Computer Key Board/ Mouse and wireless keyboard and mouse (Used)	All Types	8471.6010 8471.6020	8471.6010.1000 8471.6020.1000	65% of value of VR No. 1084/2017 dated 15-03-2017 for said item or any other VR issued later.
13.	Hard Disk/ Drive (Used)	All Types	8471.7020	8471.7020.1000	65% of value of VR No. 1353/2019 dated 29-01-2019 for said item or any other VR issued later.
14.	Computer/ Multimedia Speaker (Used)	All Types	8518.2100 8518.2200 8518.2990	8518.2100.1000 8518.2200.1000 8518.2990.1000	65% of value of VR No. 1502/2020 dated 11-12-2020 for said item or any other VR issued later.
15.	Computer USB Cable/ VGA Cable/ Computer Power Cable (Used)	All Types	8544.4010	8544.4010.1000	65% of value of VR No. 1208/2017 dated 15-09-2017 for said item or any other VR issued later.
16.	Scanner (Used)	All Types	8471.6030	8471.6030.1000	25/- per piece
17.	Printer (Dot Matrix) (Used)	All Types	8443.3010	8443.3010.1000	20/- per piece
18.	Printer (Ink Jet/ Laser Jet) (Used)	All Types	8443.3220 8443.3230 8443.3110	8443.3220.1000 8443.3230.1000 8443.3110.1000	35/- per piece
19.	Printer (Multifunction)- All in One (Used)	All Types	8443.3100	8443.3100.1000	60/- per piece

20.	Computer Server (Used)	All Types	8471.5000	8471.5000.1000	300/- per piece
21.	Uninterrupted Power Supply (UPS)- (Used)	All Types	8504.4010	8504.4010.1000	65% of value of VR No. 1322/2018 dated 31-08-2018 for said item or any other VR issued later.
22.	Networking Equipment (Used)	All Types	8517.6970 8517.6990	8517.6970.1000 8517.6990.1000	65% of value of VR No. 1481/2020 dated 02-11-2020 for said item or any other VR issued later.
23.	Laptop Battery (Used)	All Types	8507.3000 8507.4000 8507.5000 8507.6000 8507.8000	8507.3000.1000 8507.4000.1000 8507.5000.1000 8507.6000.1000 8507.8000.1000	6/- per piece
24.	Laptop Battery Charger (Used)	All Types	8504.4020	8504.4020.1000	2.8/- per piece

Note-3: If complete personal computers (used) are imported, then the values shall comprise of CPU plus LCD/LED monitor plus Key Board and Mouse.

Note-4: If Personal computers/ laptops (used) are imported without hard disk, then **US\$ 3.00/pc** shall be deducted from the value given above.

Note-5: For the items at S.No (18 & 19), the minimum assessed value is given in their respective columns but in case the weight is above 21 Kg (in case of S.No. 18) and 36 Kg (in case of S.No. 19) per piece then the said items will be assessed on the criteria of **US\$ 1.65/- per Kg**.

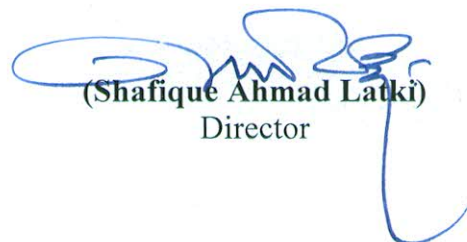
7. In cases where declared/transaction values are higher than the customs values determined in this Ruling or higher evidential data is available of stipulated period 90 days, the assessing officers shall apply those values in terms of sub-Section (1) of Section 25 of the Customs Act, 1969, and the same 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.

8. **Validity of Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs values 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, 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 Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in the above table of this Ruling. HS Codes are mentioned for illustrative purpose 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.


(Shafique Ahmad Latki)
Director

Copy for information to: -

- 1) The Member Customs (Policy/Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
- 4) The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
- 5) The Chief Collector of Customs (Central), Lahore.
- 6) The Chief Collector of Customs (North), Islamabad.
- 7) The Chief Collector of Customs, (Enforcement), Custom House, Quetta.
- 8) The Director General, Intelligence and Investigation-FBR, Islamabad.
- 9) The Director General, PCA& Internal Audit, Karachi.
- 10) The Director General, IOCO, Karachi
- 11) The Director General, Transit Trade, Custom House Karachi
- 12) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 13) The Director, Transit Trade, Custom House Karachi
- 14) The Director, Directorate of Customs Valuation, Lahore.
- 15) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
- 16) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 17) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 18) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 19) The Webmaster, Federal Board of Revenue, Islamabad.
- 20) Guard File.