

GOVERNMENT OF PAKISTAN
MINISTRY OF FINANCE, ECONOMIC AFFAIRS,
STATISTICS AND REVENUE
(REVENUE DIVISION)

Islamabad, the 4th November, 2011.

NOTIFICATION
(SALES TAX AND FEDERALEXCISE)

S.R.O. 1012(I)/2011.- In exercise of the powers conferred by clause (c) of section 4 read with clause (b) of sub-section (2) and sub-section (6) of section 3, clause (b) of sub-section (1) of section 8, clause (a) of sub-section (2) of section 13 and section 71 of the Sales Tax Act, 1990, and sub-section (2) of section 16 of the Federal Excise Act, 2005 and in supersession of its Notification No.S.R.O.283(I)/2011, dated the 1st April, 2011, the Federal Government is pleased to notify the goods specified in column (2) of the Table below, falling under the PCT heading numbers mentioned in column (3) of the said Table, including the goods or class of goods mentioned in the conditions stated in this notification, to be the goods on which sales tax shall, subject to the said conditions, be exempt on the supply and import thereof, or charged at zero-rate or, as the case may be, at the rate of five *per cent* to the extent and in the manner as specified in the aforesaid conditions, namely:-

TABLE

Sr. No.	Description of goods	PCT Heading No.
(1)	(2)	(3)
1.	Leather and articles thereof including artificial leather footwear	41.01 to 41.15, 64.03, 64.04, 6405.1000, 6405.2000 and other respective headings
2.	Textile and articles thereof excluding monofilament, sun shedding, nylon fishing net, other fishing net, rope of poly ethylene and rope of nylon, tyre cord fabric	Chapter 50 to Chapter 63 and other respective headings excluding 5407.2000, 5608.1100, 5608.1900, 5608.9000
3.	Carpets	57.01 to 57.05

4.	Sports goods	9504.2000, 95.06 and other respective headings
5.	Surgical goods	Respective headings
6.	Mucilages and thickeners, whether or not modified, derived from locust beans, locust bean seeds or guar seeds	1302.3210, 1302.3290, 1302.3900
7.	Cotton linter	1404.2000
8.	Emery powder and grains	2513.2010
9.	Magnesium oxide	2519.9010
10.	Coning oil	2710.1991
11.	Spin Finish Oil	2710.1998
12.	Antimony oxide	2825.8000
13.	Sodium bromate	2829.9000
14.	Sodium sulphide and sodium hydrogen sulphide	2830.1010, 2830.1090
15.	Sodium dithionite	2831.1010
16.	Sodium sulphite and sodium hydrosulphide	2832.1010, 2832.1090
17.	Phosphinates (hypophosphite) and phosphonates(phosphates)	2835.1000
18.	Sodium dichromate	2841.3000
19.	Hydrogen per oxide	2847.0000
20.	p-Xylene	2902.4300
21.	Trichloroethylene	2903.2200
22.	Ethylene Glycol (MEG)	2905.3100
23.	Di-ethylene glycol	2909.4100
24.	Ethyl glycol	2909.4490
25.	Tri-ethylene Glycol	2909.4990
26.	Glutar aldehyde	2912.1900
27.	Formic acid	2915.1100
28.	Sodium formate	2915.1210
29.	Acetic acid	2915.2100
30.	Sodium acetate	2915.2930
31.	Acrylic acid and its salts	2916.1100
32.	Esters of Methacrylic acid	2916.1400
33.	Oxalic acid	2917.1110

34.	Pure terephthalic acid (PTA)	2917.3610
35.	Glycolic acid and their esters	2918.1800
36.	Other phosphoric esters and their salts	2919.9090
37.	Dyes intermediates	2921.0000 2922.0000 2923.0000 2924.0000 2927.0000 2933.0000 2934.0000
38.	DMF (Dimethyl Formamide)	2924.1990
39.	Acrylonitrile	2926.1000
40.	Other organic derivatives of hydrazine or of hydroxylamine	2928.0090
41.	Tanning extracts of vegetable origin; tannins and their salts, ethers, esters & other derivatives	3201.1000 3201.2000 3201.9020 3201.9090
42.	Synthetic organic tanning substances, inorganic tanning substances, tanning preparations, whether or not containing natural tanning substances; enzymatic preparations for pre-tanning	3202.1000 3202.9010 3202.9090
43.	Disperse dyes and preparations based thereon	3204.1100
44.	Acid dyes and preparation based thereon	3204.1200
45.	Basic dyes and preparations based thereon	3204.1300
46.	Direct dyes and preparations based thereon	3204.1400
47.	Indigo Blue	3204.1510
48.	Vat dyes and preparations based thereon	3204.1590
49.	Reactive dyes and preparations based thereon	3204.1600
50.	Pigments and preparations based thereon	3204.1700
51.	Dyes, sulphur	3204.1910
52.	Dyes, synthetic	3204.1990
53.	Synthetic organic products of a kind used as fluorescent brightening agents	3204.2000
54.	other synthetic organic colouring matter	3204.9000

55.	Pigments and preparations based on titanium dioxide	3206.1900
56.	Other colouring matter and other preparations	3206.4910
57.	Granules, flakes, powder of glass (others)	3207.4090
58.	Prepared water pigments of a kind used for finishing leather	3210.0020
59.	Cationic surface active agents	3402.1210, 3402.1220, 3402.1290
60.	Non-ionic surface active agents	3402.1300
61.	Surface active preparations and cleaning preparations excluding detergents	3402.9000
62.	Preparations for the treatment of textile material, leather, fur skins or other material	3403.1110, 3403.1120 3403.1990 3403.9110 3403.9190
63.	Spin finish Oil	3403.9131
64.	Artificial waxes and prepared waxes	3404.9010
65.	Other artificial waxes	3404.9090
66.	Other glues (printing gum)	3505.2090
67.	Shoe adhesives if imported directly or purchased from the local registered manufacturers of shoe adhesives by the manufacturers of leather or sports goods for their own use.	3506.9110
68.	Hot melt adhesive if imported directly or purchased from the local registered manufacturers of hot melt adhesives by the manufacturers of leather or sports goods for their own use.	3506.9110 3506.9190
69.	Enzymes	3507.9000
70.	Photographic film, with silver halide emulsion (for textile use)	3702.4300 3702.4400
71.	Sensitizing emulsions (for textile use)	3707.1000
72.	Fungicides for leather industry	3808.9220
73.	Preparation of a kind used in textile or like industry	3809.9110 3809.9190
74.	Preparation of a kind used in leather or like industries	3809.9300
75.	Compound plasticizers for rubber or plastics	3812.2000
76.	Antimony triacetate	3815.1910
77.	Palladium catalyst	3815.9000

78.	Electrolyte salt	3824.9060
79.	Electro polishing chemicals	3824.9060
80.	Polymers of vinyl acetate (in aqueous dispersion)	3905.1200
81.	Vinyl acetate copolymers: in aqueous dispersion	3905.2100
82.	Polymers of vinyl alcohol	3905.3000
83.	Other vinyl polymers	3905.9990
84.	Acrylic polymers in primary forms	3906.9090
85.	Polyethylene terephthalate-Yarn grade, and its waste	3907.6010
86.	Nylon Chips (PA6)	3908.1000
87.	Polyurethanes	3909.5000
88.	Silicones in primary form	3910.0000
89.	Cellulose nitrates nonplasticised	3912.2010
90.	Other cellulose nitrates	3912.2090
91.	Carboxymethyl cellulose and its salts	3912.3100
92.	Alginic acids, its salts and esters	3913.1000
93.	Nylon tubes	3917.3910
94.	Artificial leather	3921.1300
95.	Synthetic leather grip	3926.9099
96.	Sequins	3926.9099
97.	Natural rubber latex	4001.1000
98.	Technical specialized natural rubber	4001.2200
99.	Rubber latex	4002.1100
100.	Synthetic rubber SBR 1502 latex	4002.1900
101.	Butadiene rubber	4002.2000
102.	Thermo-plastic rubber (T.P.R.)	4002.9900
103.	Vulcanized rubber thread and cord	4007.0010 4007.0090
104.	Leather shearing-finish leather with wool	4302.1910
105.	Articles of apparel and clothing accessories of fur skin	4303.9000
106.	Artificial fur and articles thereof	4304.0000
107.	English willow cleft (wood)	4404.1000
108.	Cork Granules	4501.9000
109.	Cork sheet	4504.1010

110.	Wood-pulp (dissolving grade)	4702.0000 (if imported by manufacturers of viscose staple fibre for use in the manufacturing of viscose staple fibre)
111.	Satin Finishing Wheels	6804.2100
112.	Carbon Fiber	6815.1000
113.	Glass fiber sleeves	7019.9010
114.	Forging of surgical and dental instruments	7326.1920
115.	Nickel rotary printing screens	7508.9010
116.	Hooks for footwear	8308.1010
117.	Eyes and eyelets for footwear	8308.1020
118.	Tubular or bifurcated rivets	8308.2000
119.	Strings	8308.9090
120.	Bladders and covers of inflatable balls	9506.9919
121.	Press-fasteners, snap fasteners and press studs	9606.1000
122.	Buttons of plastics not covered with textile material	9606.2100
123.	Buttons of base metal not covered with textile material	9606.2200
124.	Studs	9606.2910
125.	Buttons	9606.2920
126.	Slide fasteners	9607.1100, 9607.1900

CONDITIONS

- (i) the goods (useable as industrial inputs) covered under this notification if imported by the registered manufacturers of textile, carpets, leather, sports and surgical goods sectors, shall be exempt from sales tax;
- (ii) the goods imported by all other registered importers shall be charged to sales tax at the rate of 5% *ad val.*;
- (iii) on local purchase or supply, this notification shall, in case of textile sector apply from ginning stage onwards (for synthetic sector from production of PTA and MEG) and in case of other sectors, from the first organized manufacturing stage onwards;
- (iv) supplies of these goods to registered persons of five zero-rated sectors upto wholesale stage shall be zero-rated;

- (v) supplies of these goods to unregistered persons and retailers (both registered and unregistered) shall be charged to sales tax at the rate of 5% *ad val.*;
- (vi) where a registered person has acquired goods on payment of sales tax at the rate of 5% *ad.val.*, he shall be entitled to input tax adjustment or as the case may be, refund against the subsequent supplies made by him to registered persons either at the rate of 5% *ad val.* or as the case may be, at zero rate;
- (vii) a registered person who has consumed any other inputs acquired on payment of sales tax, but not covered in this notification, shall be entitled to input tax adjustment or, as the case may be, refund in respect of the supplies made by him either at the rate of 5% *ad val.* or at zero rate;
- (viii) the registered persons who are solely or otherwise engaged in the retail business of these goods or products shall pay sales tax at the rate of 5% *ad val.* on their retail sales and shall be entitled to input tax adjustment or, as the case may be, refund against such sales and they shall not be required to pay any other sales tax leviable on their such retail transactions;
- (ix) where in the case of a registered person falling under the provisions of this notification, amount of claimable refund exceeds the amount of tax payable by him, he may minus the tax liability from his refundable amount and claim refund of the balance amount, if any;
- (x) the registered manufacturers who process goods owned by unregistered persons shall charge sales tax at the rate of 5% *ad val.* on the processing charges received by them, provided that no tax shall be charged from the registered principals;
- (xi) the registered manufacturers shall be entitled to the adjustment of input tax paid on machinery parts or spares and lubricants acquired by them for their own use;
- (xii) benefit of this notification shall be available if the goods covered in this notification are used for the purpose of manufacturing or trading in the sectors specified in condition (i);
- (xiii) all finished products of the sectors specified in the condition (i) shall, if sold to the end consumer, be charged to sales tax at the rate of 5% *ad val.*;
- (xiv) the restrictions specified in the Table of this notification shall also be deemed to be the conditions of this notification; and

(xv) supply of electricity and gas to the registered manufacturers of the above mentioned sectors shall be zero rated in such manner and to such extent as may be specified by the Federal Board of Revenue.

[C.No.1(140)C(RGST)/Textile/2011]

(Shahid Hussain Asad)
Additional Secretary