

**INCENTIVES FOR LEATHER INDUSTRY
ANNOUNCED IN FEDERAL BUDGET 2018-19**

A - Through Fifth Schedule of the Customs Act, 1969

PART-I of the 5th Schedule

(A copy of 5th Schedule is attached herewith for information)

Import of Plant, Machinery, Equipment and Apparatus, including Capital Goods for various Industries/Sectors.

Details of some of the items used in Tanning Industry with applicable Customs Duty (CD) are furnished hereunder for information :

Description	PCT Code	Custom Duty (%)
Machinery equipment and other education and research related items imported by technical institutes, training institute, research institute :		
Filtering or purifying machinery and apparatus for water	8421.2100	0%
Machinery and equipment imported by an industrial concern:	Respective Headings	3% 11% 15%
Solar Air Conditioning Plant – Charging & testing equipment	9031.8000	0%

PART-III of the 5th Schedule

Raw Materials/Inputs for Poultry and Textile Sector; Other Goods

Description	PCT Code	Custom Duty (%)
Stamping Foils	3212.1000	0%
Fatty Alcohol Ethoxylate	3402.1300	5%
Products registered under the Agriculture Pesticides Ordinance, 1971	3808.9170	0%
Raw Hides & Skins	41.01	0%
Raw Skins	41.02	0%
Other Raw Hides and Skins	41.03 (excluding 4103.2100)	0%
In the wet state (including wet-blue)	4105.1000	0%

	4106.21000	
--	------------	--

PART-VII of the 5th Schedule

Miscellaneous

TABLE-A

Description	PCT Code	Custom Duty (%)
Sodium hydrogen sulphide	2830.1010	0%
Other (Sodium Sulphide)	2830.1090	0%
Ammonium Sulphate	3102.2100	0%
Whole hides and skins, unsplit, of a weight per skin not exceeding 8 kg when simply dried, 10 kg when dry salted, or 16 kg when fresh, wet salted or otherwise preserved.	4101.2000	0%
Full grains, unsplit; grain splits	4104.4100	0%
Other	4104.4900	0%
In the wet state (including wet-blue)	4105.1000	0%
In the dry state (crust)	4105.3000	0%
In the wet state (including wet-blue)	4106.2100	0%
In the dry state (crust)	4106.2200	0%
Of reptiles	4106.4000	0%
In the wet state (including wet-blue)	4106.9100	0%
In the dry state (crust)	4106.9200	0%
Full grains, unsplit	4107.1100	0%
Grain splits	4107.1200	0%
Other	4107.1900	0%
Full grains, unsplit	4107.9100	0%
Grain splits	4107.9200	0%
Other	4107.9900	0%
Leather further prepared after tanning or crusting, including parchment dressed leather, of sheep or lamb, without wool on, whether or not split, other than leather of heading 41.14	4112.0000	0%
Of goat or kids	4113.1000	0%
Of reptiles	4113.3000	0%
Other	4113.9000	0%
Chamois (including combination chamois) leather	4114.1000	0%

Patent leather and patent laminated leather; metalized leather	4114.2000	0%
--	-----------	----

B - Through SROs

Notification (Customs) - SRO 640(I)/2018 dated 24th May'2018 – Regulatory Duty

The Federal Government reduced the Regulatory Duty on import of goods from different slabs as specified in the following table falling under the PCT Code of the First Schedule to the Customs Act, 1969, a copy of SRO attached herewith for information :

PCT Code	Description	Rate of Regulatory Duty (%)
3402.1190	Other (Leather Decreasing Agent)	5% (Reduced from 10%)
3402.1220	Other than in retail packing	5% (Reduced from 10%)
3402.1290	Other (Leather Decreasing Agent)	5% (Reduced from 10%)
3402.1300	Non-ionic	5% (Reduced from 10%)

...